BAY COUNTY RETIREMENT BOARD OF TRUSTEES AGENDA

TUESDAY, SEPTEMBER 13, 2016 @ 1:30 P.M.

COMMISSIONERS CHAMBERS 515 CENTER AVENUE - 4TH FLOOR BAY CITY, MI 48708

	PAGE	I.	CALL TO	O ORDER	
		II.	ROLL	CALL	
		III.	MINU'	TES	
1 – 10			A.	AUGU	ST 9, 2016
		IV.	PUBL	C INPUT	
		V.	PETIT	IONS & 0	COMMUNICATIONS
11-21			A.		M. REHMANN AUDIT REPORT WEBSITE FOR PRESENTATION
21 (a) – (c)			В.	2:00 P.i	M. CHARBONNEAU DISABILITY RETIREMENT APPEAL HEARING
22 - 24			C.	MON	THLY REPORTS – RES NO.: 2016-35
				1.	PORTFOLIO VALUE - 1/1/16 - 08/31/16
				2.	CHANGE IN BOOK AND MARKET VALUE – 07/31/2016
				3.	MONEY MANAGERS ON WATCH - (EFFECTIVE DATE)
					a. NONE
			•	4.	MONEY MANAGER REPORTS
					a. BAIRD - 2Q 2016b. CORNERSTONE – ENDING 7/31/16
					c. EAGLE ASSET MGMT - ENDING 7/31/16
					d. HENDERSON GENEVA – ENDING 7/31/16
25 - 59					e. HOTCHKIS & WILEY – ENDING 7/31/16 f. LOOMIS SAYLES - ENDING
					g. MACKAY SHIELDS - ENDING 7/31/16
					h. MFS HERITAGE TRUST - ENDING 7/31/16
					i. MFS INVESTMENT – ENDING 7/31/16j. PRISA PORTFOLIO OVERVIEW – 7/31/16
					j. PRISA PORTFOLIO OVERVIEW – 7/31/16k. SCHRODERS – ENDING 7/31/16
				5.	RECAPTURE SERVICES
60 - 63					a. ABEL/NOSER - SUMMARY ENDING 7/31/16b. CAPIS - SUMMARY ENDING 7/31/16
61. 60				6.	NORTHERN TRUST
64 - 69					a. SUMMARY EARNINGS - ENDING 7/31/16

BAY COUNTY RETIREMENT BOARD OF TRUSTEES AGENDA

TUESDAY, SEPTEMBER 13, 2016 @ 1:30 P.M.

COMMISSIONERS CHAMBERS 515 CENTER AVENUE - 4TH FLOOR BAY CITY, MI 48708

70	•		7.	REFUNDS/RETIREMENTS ENDING 8/31/16					
71 - 75			8.	BCERS YTD BUDGET REPORT – ENDING 8/31/16					
76			9.	INVOICES APPROVED – 8/31/16					
				Motion: To go into closed session pursuant to MCLA 15.268, Sec. 8 (h) to consider material exempt from discussion or disclosure by state or federal statute.					
77 – 79		D.		ILITY REEXAMINATION FORMS (COMPLIANT) NO. 2016-36 (CLOSED SESSION)					
80		Е.		ILITY REEXAMINATION FORMS COMPLIANT) – RES NO. 2016-41 (CLOSED ON)					
81		F.		DISABILITY RETIREMENT BACKUS - THIRD PARTY DPINION (CLOSED SESSION) RES NO. 2016-40					
82 – 85		G.	RETIREMENT SYSTEM MEMBERSHIP BLANK UPDATE RES NO. 2016-38						
86 – 93		Н.	2017 B	UDGET PROPOSAL RES NO. 2016-39					
94		I.		ESPONDENCE INTEGRITY – NEW MIDDLE AND OFFICE OUTSOURCED PLATFORM. (MOTION TO IVE)					
95 – 96		J.		ESPONDENCE ABEL/NOSER CORP ACQUISITION TO NOSER L.L.C. (MOTION TO RECEIVE)					
97		K.	GREG	OUTY DISABILITY RETIREMENT APPLICATION ORY COURIER (ROAD COMMISSION) O. 2016-42					
	VI.	ANNO	UNCEM	ENTS					
		A.	P.M., 0	REGULAR MEETING – OCTOBER 11, 2016 AT 1:30 COMMISSIONERS CHAMBERS, 515 CENTER AVENUE OOR, BAY CITY, MI 48708					
		В.	OF ME FOR A	PECIAL MEETING TO DISCUSS THE RESOLUTION R. HOLLIDAY'S APPEAL, PREVIOUSLY SCHEDULED UGUST 23 RD , HAS BEEN POSTPONED UNTIL A R DATE.					

VII.

VIII.

UNFINISHED BUSINESS

NEW BUSINESS

BAY COUNTY RETIREMENT BOARD OF TRUSTEES AGENDA TUESDAY, JANUARY, 2016 @ 1:30 P.M. COMMISSIONERS CHAMBERS

COMMISSIONERS CHAMBERS 515 CENTER AVENUE - 4TH FLOOR BAY CITY, MI 48708

- IX. MISCELLANEOUS BUSINESS
- X. ADJOURNMENT

PAGE 1

NOTE: In addition to these typed minutes, this board meeting was also recorded. These audio files are available for review in the Retirement Office

A meeting of the Board of Trustees was held on August 9, 2016 at 1:30 p.m. in the Commission Chambers, 4th Floor, Bay County Building, 515 Center Avenue, Bay City, Michigan. Roll call taken.

Trustees Present: Chairperson Gray, Mr. Coonan, Ms. Gonzales, Mr. Gromaski, Mr. Krygier, Mr. Morse, Mr. Pett, and Mr. Starkweather.

Trustees Absent: Trustee Brzezinski

Also Present:

Consultant: The Bogdahn Group: Peter Brown.

Secretary: Jan Histed

Retirement Administrator: Katie Meeth

Public: Yes.

The meeting was called to order by Chairman, Steve Gray at 1:30 p.m.

MOTION 65: Moved, supported and carried to excuse Trustee Brzezinski.

MOTION 66: Moved, supported and carried to approve the minutes, as printed, from the July 12,

2016, regular meeting.

Mr. Gray called for public input. There was no public input and he moved onto petitions and communications.

First item was the service time appeal for Mr. Rodney Holliday. Present today were Mr. Rodney Holliday, his wife, his union president, and Mr. Bryan Fisher, from the United Steel Workers. Assistant Corporation Counsel, Ms. Shawna Walraven, reviewed the appeal for the Board. Mr. Holliday is a recent retiree from Bay Medical Care Facility. The Retirement System received information that he was an on-call employee and treated him as the Ordinance states to treat a temporary employee which is that there is no retirement credit in the first year. Once a temporary employee hits 800 hours in the first year, they are granted retirement credit going forward. Mr. Holliday requested credit for the first year and that request was denied based on the Ordinance. Mr. Holliday is appealing that decision and requesting an oral hearing as allowed him under the Retirement Ordinance in Section 55. Mr. Fisher is here as senior representative for Mr. Holliday and will be speaking for him. Mr. Holliday will be heard today and the Board will take the issue under advisement which will allow us to investigate further and answer any further questions that we may have.

Mr. Fisher provided written documentation to the Board today regarding Mr. Holliday's pension credit eligibility date. Mr. Holliday retired on May 12, 2016. He was hired at Bay Medical Care Facility February 1, 1987. The Pension Board, in determining his pension, did not credit him for 1987 and began giving him pension credits as of January 1, 1988. Mr. Holliday contested this determination asking for 1987 to be credited. He received a rejection letter May 12, 2016 denying the pension credit for 1987. That letter was provided today. Also provided today were Mr. Holliday's membership blank, the formula used to determine

PAGE 2

his pension credit and his attendance records at the facility for the years in question. Trustee questioned the total hours that he worked in 1987. Mr. Fisher referred to the documentation presented showing Mr. Holliday worked 11 months as a call-in employee and worked 1024 hours that year.

The denial letter dated May 12, 2016 gave three reasons for this denial. The first being his membership blank stated that he was hired on February 1, 1987 as a part-time employee with no benefits. The second reason stated is the Bay County Employee Retirement System Ordinance referring to 4.026 (b) which states that included positions shall be (iii) all positions held by persons who are employed by the county its offices, boards, agencies or departments in a permanent position. For purposes of this section, a permanent position is defined as a position which normally requires service of 800 or more hours per calendar year. All positions held by persons who are employed by the county, its offices, boards, agencies or departments in a temporary position in which the person serves for more than one year with no break in service from that position in that one-year period and in which the person served at least 800 or more hours per calendar year. A member, under this subsection, is not entitled to credited service for his or her first year of service as a temporary employee, but may accumulate credited service thereafter.

Mr. Fisher believes the characterization of the call-in employee as a temporary position is a mischaracterization. The denial letter goes on to state that all employees in similar situations were treated equally. Mr. Fisher stated through their investigation they found that was not the case. He stated their first challenge is to the membership blank information. Mr. Holliday's membership blank shows his signature, the date that he started and the department he was employed in. Under the section labeled department employed in it does not state a department. It states part-time no benefits with retirement. Mr. Holliday does not recall those boxes being filled out when he signed this. It is unknown who filled that part out as it is not initialed. Furthermore, it is crossed out. Mr. Fisher questions what that crossed out portion means.

He gave examples of other membership blanks they investigated.

- 1) Membership blank of Mr. Darrel Whitney, who is retired, shows an effective date of January 1, 1990, effective with benefits. Mr. Whitney was actually hired June of 1989 and was given pension credit from that day. His designation was call-in the same as Mr. Holliday's.
- 2) Membership blank of Lori VanTol shows it is not filled out, but she reports she was hired in the same capacity as Mr. Holliday as a call-in for her first two years. Her hire date was October 1983 and her retirement eligibility was October 1983.
- 3) Membership blank of Patty Mata states nursing and her designation was on-call. Her hire date was January 23, 1992 and her retirement eligibility was January of 1992 with no delay.

Mr. Fisher stated sometimes the information on the membership blank is utilized and sometimes it is not. It is very subjective. To state that this box on Mr. Holliday's membership blank is the be all end all on when he gets retirement credit is not consistent with the way the retirement credit has been calculated in the past.

Mr. Fisher stated they made an information request for all employees that were classified as call-in or oncall, which the facility has reported to the union that they consider those the same. They asked for all employees that were employed as on-call or call-in as Mr. Holliday was for the years surrounding 1987. They also asked for the previous five retirees. Every single one of the retirees had been credited since day one of their employment and that can be corroborate with the membership blanks and the attendance records that have been provided.

PAGE 3

Trustee Krygier questioned if there was a policy changed or something happened that allowed these other individuals to get their credit their first year because of the amount of hours they worked. Mr. Fisher stated they have no record and the facility had not provided them with any record that there was a change. Trustee asked if there were people hired before 1987 and after 1987 that received the service credit. Mr. Fisher stated yes.

The printout provided by Mr. Fisher shows every single retiree was credited with pension credit from day one and they were all designated on their attendance records as on-call or call-in with the exception of Dawn Laney, who had no designation on her attendance record. Mr. Holliday is the first employee with this designation to not receive credit for that first year. He stated that they have asked for any records of employees with similar credit and similar position as Mr. Holliday who were denied that credit for that first year. When the request was made, there were no current retirees that had been denied that first year. Mr. Holliday is the first. There are active employees that have had that determination that they don't receive credit for the first year.

They believe the membership blank is subjective and not a valid reason for denying Mr. Holliday's service credit.

Mr. Fisher stated the second point is the language in the Bay County Employees' Retirement System Ordinance. The rejection letter referred to 4.026 (b). In 4.026 (b) it states that for purposes of this section, a permanent position is defined as a position which normally requires service of 800 or more hours per calendar year. Mr. Fisher stated they made an information request for all employees in the same designation as Mr. Holliday as a call-in or an on-call employee for the years around 1987. They obtained the attendance records for 13 employees including Mr. Holliday, which they provided to the Board today. All 13 employees worked more than 800 hours in every year classified as call-in or on-call unless they worked less than a year in which case they were on track to work 800. Anyone who worked less than a full year was on track to average 800 hours that year. This is important because of that definition. It states defined as a position which normally requires service of 800 or more hours per calendar year. Without exception, they all worked 800 or more hours per calendar year or were on track to do so if they worked a full year. was no temporary aspect of their position where they worked say the middle three months of the year. When they were hired, they were hired for good. He stated that was what was reported to him from the facility. They were not being hired to be let go. Twenty to thirty years ago everyone was hired as an on-call or call-in and then when a regular set schedule became available they were eligible to sign for that. All of these employees, once they were hired, remained working. This information is tabulated on the printout Mr. Fisher provided. He stated that by any reasonable definition, this certainly meets the standard of a permanent position which is defined as a position which normally requires service of 800 or more hours per calendar year. Not only was it normally required, but every single person employed was required to work the 800 or more hours. He explained what the on-call and call-in positions were. The facility, at that time, had employees with set schedules and then other employees who were the on-call and call-in people who worked the hours around the set schedule and filled in for vacations and sick leave. These on-call and callin employees received a schedule two weeks in advance and were required to work it. If they did not work those hours, they were subject to discipline. This was not a temporary position or a position where they did not get enough hours. The reason it was called on-call or call-in is that they filled around the set schedule employees. It just was not the same schedule week to week. After a set schedule position became available, an employee could sign for it and was given it. That is how an employee worked their way up at the facility at that point. These positions were neither temporary nor part-time as defined in the Pension Ordinance.

PAGE 4

Looking at 4.026 IV, it defines a temporary position as a position which is of short duration and does not intend to provide continuous employment with the county. These were not temporary positions of short duration. They were, in fact, intended to provide continuous employment with the county. Looking at part-time employees for purposes of this section, a part-time employee is an employee who was employed in a position which normally requires service of fewer than 800 hours per calendar year. Every one of these callin or an on-call position, in fact, worked more than 800 hours. Mr. Fisher stated it is their position that the Board has an obligation to treat Mr. Holliday and all such employees as permanent employees and retirement eligibility from date of hire as has been done every single time with every other employee who has retired from the facility until Mr. Holliday.

His third point of contention with Mr. Holliday's rejection letter is that the letter states all others in similar situations were treated equally. They made an information request for the names and records of the other similar situations that they were being referred to and they were provided the names of two employees who have not retired yet. Conrad Douglas and Shelly Sakon. Mr. Fisher provided their membership blanks and attendance records to the Board today. Those employees are contesting the determination. If they are unsuccessful, they will probably appeal when they decide to retire. Mr. Holliday, to their knowledge, is the first and only retiree of Bay County Medical Care Facility to suffer this determination. The facility and the Pension Board have been unable to provide any examples of someone previously retired who has been denied pension credit in this manner. All of the other retirees in this classification have been given pension credit from day one of their employment and that is what they are asking for, for Mr. Holliday. With all due respect, to uphold this determination, in their view, takes away a benefit that Mr. Holliday earned which is prohibited by the State Constitution that states public employee's retirement benefits cannot be taken away. They feel it is a subjective determination that breaks the bond with the employees of Bay County Medical Care Facility that has been developed from years of pension promises. In their view, it goes against the intent, the spirit and the definitions of the Pension Ordinance. For those reasons, they are asking that Mr. Holliday's appeal be granted and he be credited for the service year of 1987 and furthermore continue to do so for all similar employees of Bay County Medical Care Facility in the future.

Ms. Walraven stated that they understand there are inconsistencies. She stated the Retirement System administers the system for a number of employers and they have to rely on the information given to them by the employers. When they inquired, the Bay Medical Care Facility told them that these on-call and call-in positions are of temporary status as there was no guarantee of the hours. This is something they are inquiring with the employer about to see if there is a resolution possible. Without direction from the employer to the contrary, they have to follow the Ordinance.

Ms. Jennifer Ronk, president of the local union, who has also been employed at Bay Medical Care Facility for 23 years, addressed the Board. She stated that the none of the current personnel at Bay Medical Care Facility were there 23 years ago and they do not have a definition for on-call. They are basing it on what they base their per diem on right now, which is different than when they hired 23 years ago. When she hired 23 years ago, she was told that the retirement started from day one. She was not hired as a temporary employee and was told it was going to be a long-term position. She explained the two-week schedule as well as the on-call and the disciplinary actions. She stated if an employee were to refuse to work when they were called in they would be terminated on the third refusal. She stated that to her is a requirement to be a full-time employee.

The 800 hours as well as temporary employee status was discussed. Mr. Fisher stated the traditional

PAGE 5

definition of full-time and part-time really does not apply here. The Ordinance gives a definition of a temporary position stating that for the purposes of this section, a temporary position is defined as a position which is of short-duration and does not intend to provide continuous employment with the county. That is not the case here. It was not short duration. Mr. Fisher stated it is a mischaracterization of this call-in position as temporary or part-time because it was intended to provide continuous services to the county so they are not temporary and they worked over 800 hours a year so they were not part-time.

Mr. Fisher stated they made an information request for all similar employees. One example is Lori VanTol who was hired in October and worked 331 hours that year. She was credited from day one and received credit for October, November, and December of that year.

The Board decided to schedule a special meeting on Tuesday, August 23, 2016 at 3 p.m. with a goal of having all the information they need and to make a decision.

MOTION 67:

Moved, supported and carried to hold a special meeting August 23, 2016 at 3 p.m. to render a decision regarding Mr. Holliday's appeal of service time.

Present today is Peter Brown, from The Bogdahn Group, to present the second quarter report. A copy was provided to all Trustees, in advance, via the web.

Mr. Brown gave a recap of the second quarter and the year. It was a mixed quarter and there was volatility with the fear of Brexit. Afterwards the markets rebounded and went up towards record territory. Domestic markets were positive. The S&P was up 2.5%. Small caps and mid caps were up even more. International markets were mixed. Developed markets were negative anywhere from -0.5% to -1.5%. Emerging markets were slightly positive coming off a very poor year. They continued to be positively surprised with positive returns of fixed income. The aggregate was up 2.2% and corporate was up at 3.5%. Interest rates continue to fall and seem to hover now at the 10-year at about 1.5% or so.

The rolling one-year period shows mixed results. International markets were negative anywhere from -10% to -12%. Domestic markets were mixed. The S&P was positive, up 4%. Mid caps were roughly flat and small caps were negative. Fixed income was positive.

During the second quarter, value outperformed growth.

He gave a recap of The Bogdahn Group. They continue to grow. They have \$64 billion in assets under management.

The Bay County Portfolio had net outflows of about \$3.5 million. The bulk of that negative \$3 million was to raise money to pay benefits. Funding of \$4.4 million for the PRISA real estate fund was split equally between Mackay Shields and Cornerstone REITS.

Reviewing the asset allocation compliance shows the Fund is right in line with the policy. Not only in compliance and within ranges, but just about right on top of the target.

In all cases, for all periods, the Plan is outperforming its underlying benchmark. It is outperforming the index. It ranks within top median if not top third and as long-term performance goes it ranks in the top decile.

PAGE 6

After the quarter, it captured positive returns and the portfolio was up 2.1% and was ahead of the policy up 1.9% and at the 36th percentile. The rolling one-year showed it was up 1.6% ahead of the policy up1% and top 32nd percentile. Most plans are negative with a return of somewhere between 0% and -4% over that period.

The rolling 3-year and 5-year periods, in all cases, was ahead of the policy, ahead of the trust and in the top decile.

Trustee Starkweather stated he would like to have a special meeting to examine the Investment Policy with possibly the actuaries in attendance to contribute and give direction. He stated his concern that Cornerstone was sold off to raise cash and he wondered why they didn't sell off some of what is in the 2% earnings range.

Mr. Brown explained that to raise money to fund principal they equally split it between the equity REITS, which is stock and public market equity. It was split 50/50 between 2% type bonds and 15 % type equity. REITS have had a great run and they have been the best place to be invested in the last 15 years, but they are also a play on interest rates so it is a financing gain. Those with the lowest cost of financing can pay the most for real estate. There is nothing wrong with capitalizing and taking advantage of taking some profits off the table.

Trustees discussed whether or not to have a special meeting to examine the Investment Policy. Ms. Walraven stated that the Investment Policy was updated in April of 2015 and in that Investment Policy update it stated after the actuarial reports were presented the Board would review the Investment Policy and suggest any changes. The Actuary presentation is coming up and after the Board hears that presentation that would be a good time for the Board to review the Investment Policy statement and suggest any changes.

Mr. Brown stated that the Portfolio is a high quality, well-diversified institutional portfolio. The Plan is over 100% funded. It has a 7.5% actuarial rate which over the long term it has been able to achieve. He stated that is where there may be some discussion with your actuary as actuaries are trying to trend that rate down to 7% or even below 7%. Bogdahn believes over the long term the Portfolio is well constructed and should be able to achieve that return.

MOTION 68: Moved, supported and carried to receive the Bogdan report.

RES NO 2016-32

Moved, supported and carried to approve Resolution No 2016-31 to receive the following monthly reports: PORTFOLIO VALUE - 1/1/16 - 07/31/16 (Today's value is \$311,309,000), Change in Book & Market Value—6/30/16, Money Manager Reports — Columbia — Ending 6/30/16; 2Q 2016, Cornerstone - Ending 6/30/16 & 2Q 2016, Eagle Asset Management — Ending 6/30/16 3Q outlook report, Geneva — Ending 6/30/16 & 2Q 2016, Hotchkis & Wiley — Ending 5/31/16 & 6/30/16 2Q, Integrity Ending 6/30/16 2Q, Loomis Sayles Ending 6/30/16 2Q, MFS ending 6/30/16 2Q & Proxy vote report 2Q (available upon request) Holdings report 2Q, MFS Heritage Trust - Ending 6/30/16 & 2Q report, Proxy Vote report 2Q (Available upon request), Mackay Shields — Ending 6/30/16 2Q; RECAPTURE SERVICES: ABEL/NOSER — Summary Ending 6/30/16, CAPIS — Summary Ending 6/30/16; Northern Trust Summary Earnings — 6/30/16; Refunds & Retirement- Ending 7/31/16,

BCERS YTD Budget Report - Ending 7/31/16, and Invoices Approved - 7/31/16.

Ms. Walraven states James Charbonneau is appealing the Board's denial of his Duty Disability Retirement. He had his choice of a third doctor binding decision or an appeal and oral hearing from this Board. Mr. Charbonneau, through his attorney, has asked for both oral hearing and written. The Board can either grant the oral hearing or decide the matter in writing. Ms. Walraven does not see any reason to deny granting Mr. Charbonneau the oral hearing. Chairman Gray asked for a motion to allow Mr. Charbonneau and his representatives an oral hearing at the next meeting.

MOTION 69: Moved, supported and carried to approve an oral hearing at the next Board meeting, September 13, 2016, for Duty Disability Retirement appeal for James Charbonneau.

RES NO 2016-33

Moved, supported and carried to approve Res No 2016-33 that this Board refer this matter to the Medical Director for the Non-duty disability for Mr. Darren Beyett.

RES NO 2016-34

Moved, supported and carried to approve Res No 2016-34 approving an annual membership to the National Association of Public Pension Attorneys ("NAPPA") as well as approving Assistant Corporation Counsel's attendance and related expenses to the NAPPA legal education conference in June 2017 and that any and all budget adjustments required are approved.

ANNOUNCEMENTS:

A. Next regularly scheduled meeting will be Tuesday, September 13, 2016 at 1:30 P.M. in Commissioner's Chambers, 515 Center Avenue - 4th Floor, Bay City, MI 48708.

UNFINISHED BUSINESS:

Trustee Pett referred back to the disability retirement appeal process regarding a choice between a third party physician and the oral hearing. He stated when they made the policy he did not recall making that either or.

Ms. Walraven explained there is an appeal right according to the Retirement Ordinance which is an oral hearing from the Board. They added the appeal right to go to a third party doctor and have that doctor's opinion be binding in the policy. It did not eliminate the other option of an oral hearing. It was anticipated that most people would choose the third party doctor. Mr. Charbonneau did not choose to do that. Chairman Gray asked if the Board denied the appeal if that would take the third party physician off the table. Ms. Walraven stated that was correct. The Board could not limit him. He had the choice of the oral hearing or to have the matter decided in writing but he did have the option to choose the third party physician.

Trustee Pett asked if that could be made a mandatory part of the appeal process to have that third party.

Ms. Walraven stated they would have to modify the Retirement Ordinance in order to eliminate that for those

types of appeals. She stated that eliminating it completely could be a due process issue. Trustee is wondering about making the third party situation mandatory. He thought that having a third party agreeing with one side or the other was kind of a deciding component. Ms. Walraven stated there are benefits to that. She would like to explore that a little further and come back to it. The Chair asked her to report back to the Board on that issue at the September meeting.

Trustee Starkweather is wondering about the budget stating that we are half way through the year and in some areas we have only 10% of the information and other areas there is 0% of information. He is asking about the timing of this and if there was anything to do to get timely reports. The Retirement System is paying the county \$250,000 a year for reporting and he is concerned about that.

Ms. Histed, Secretary to the Board and Finance Director, addressed the Board and explained the person that was doing that was off on medical leave and when she returned to work the county was in the middle of the audit. She then left for medical leave again. They are trying to catch up. She was the main source and they are looking into that. She was going through all the reporting and was doing a major reconciliation. Ms. Histed apologized and stated they are in the process of getting everything up-to-date now. Trustee Starkweather suggested the Chairman take a look into that regarding getting them more assistance with that.

NEW BUSINESS: None
MISCELL ANEOUS BUSINES

MISCELLANEOUS BUSINESS None

an M. Histed

ADJOURNMENT:

MOTION 70:

Moved, supported and carried to adjourn the meeting at 2:40 p.m.

Respectfully submitted.

Jส์ท์ Histed Secretary

Transcribed by: Tracy Cederquist

MEETING OF THE BCERS BOARD OF TRUSTEES COMMITTEE August 9, 2016

IN THE BOARD OF COMMISSIONER'S CHAMBERS, LOCATED AT 515 CENTER AVENUE, $\mathbf{4}^{\text{TH}}$ FLOOR, BAY CITY, MI 48708

MEETING CALLED TO ORDER BY: CHAIRPERSON STEVE GRAY 1:30P.M.

RESOLUTIONS

TRUSTEE	2016-32	2016-33	2016-34				
BRZEZINSKI	E	E	E		ļ		
COONAN	Υ	M-Y	M-Y				
GONZALES	Υ	Υ	Υ				
GRAY	Υ	Υ	Υ				
GROMASKI	M-Y	Y	S-Y				
KRYGIER	Y	S-Y	Υ				
MORSE	S-Y	Y	Y				
PETT	Υ	Y	Υ				
STARKWEATHER	Y	Υ	Υ				

CODE: M - MOVED; S - SUPPORTED; Y-YEA; N-NAY; A-ABSENT; E-EXCUSED

MEETING OF THE **BCERS** BOARD OF TRUSTEES COMMITTEE <u>AUGUST 9, 2016</u>

IN THE BOARD OF COMMISSIONER'S CHAMBERS, LOCATED AT 515 CENTER AVENUE, $4^{\rm TH}$ FLOOR, BAY CITY, MI 48708

MEETING CALLED TO ORDER BY: CHAIRPERSON STEVE GRAY AT 1;30 P.M.

MOTIONS

TRUSTEE	65	66	67	68	69	70	
BRZEZINSKI	E	E	E	Е	Ε	E	
COONAN	Υ	M-Y	M-Y	Y	M-Y	Υ	
GONZALES	Υ	S-Y	Υ	Y	Y	Y	
GRAY	Υ	Υ	Υ	Y	Υ	Y	Transmiss of the same
GROMASKI	S-Y	Υ	Y	Y	Υ	Y	a de la companya de l
KRYGIER	M-Y	Υ	Y	M-Y	S-Y	M-Y	
MORSE	Υ	Υ	S-Y	Y	Υ	Υ	
PETT	Υ	Υ	Υ	S-Y	Y	S-Y	
STARKWEATHER	Υ	Υ	Υ	Υ	Υ	Y	



Rehmann Robson

5800 Gratiot Rd. Suite 201 Saginaw, MI 48638 Ph: 989.799.9580 Fx: 989.799.0227 rehmann.com

INDEPENDENT AUDITORS' COMMUNICATION WITH THOSE CHARGED WITH GOVERNANCE

June 29, 2016

To the Bay County Board of Commissioners and the Bay County Retirement Board of Trustees Bay County, Michigan

We have audited the financial statements of the *Bay County Employees' Retirement System Defined Benefit Plan* (the "Plan") as of and for the year ended December 31, 2015, and have issued our report thereon dated June 29, 2016. Professional standards require that we advise you of the following matters relating to our audit.

Our Responsibility in Relation to the Financial Statement Audit

As communicated in our engagement letter dated December 1, 2015 and our change order dated May 4, 2016, our responsibility, as described by professional standards, is to form and express an opinion about whether the financial statements that have been prepared by management with your oversight are fairly presented, in all material respects, in conformity with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of your respective responsibilities.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement. An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control over financial reporting. Accordingly, as part of our audit, we considered the internal control of the Plan solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are also responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

Planned Scope and Timing of the Audit

We performed the audit according to the planned scope and timing previously communicated to you in our engagement letter and our change order and in our meeting about planning matters on April 25, 2016.

Compliance with All Ethics Requirements Regarding Independence

The engagement team, others in our firm, as appropriate, and our firm has complied with all relevant ethical requirements regarding independence.



To the Bay County Board of Commissioners and the Bay County Retirement Board of Trustees June 29, 2016 Page 2

Qualitative Aspects of the Plan's Significant Accounting Practices

Significant Accounting Policies

Management has the responsibility to select and use appropriate accounting policies. A summary of the significant accounting policies adopted by the Plan is included in Note 1 to the financial statements.

There have been no initial selections of accounting policies and no changes in significant accounting policies or their application during the year.

No matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus. No matters have come to our attention that would require us, under professional standards, to inform you about the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

Significant Accounting Estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's current judgments. Those judgments are normally based on knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ markedly from management's current judgments.

The most sensitive accounting estimates affecting the financial statements were:

- The assumptions used in the actuarial valuations of the pension plan are based on historical trends and industry standards.
- Management's estimate of the valuation of investment securities recorded at fair value.

We evaluated the key factors and assumptions used to develop these estimates and determined that they are reasonable in relation to the basic financial statements taken as a whole and in relation to the applicable opinion units.

Financial Statement Disclosures

Certain financial statement disclosures involve significant judgment and are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the financial statements relate to management's estimate of the valuation of investment securities recorded at fair value.

Significant Difficulties Encountered During the Audit

We encountered no significant difficulties in dealing with management relating to the performance of the audit.

To the Bay County Board of Commissioners and the Bay County Retirement Board of Trustees June 29, 2016 Page 3

Uncorrected and Corrected Misstatements

For purposes of this communication, professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are trivial, and communicate them to the appropriate level of management. Further, professional standards require us to also communicate the effect of uncorrected misstatements related to prior periods on the relevant classes of transactions, account balances or disclosures, and the financial statements as a whole and each applicable opinion unit. In addition, professional standards require us to communicate to you all material, corrected misstatements that were brought to the attention of management as a result of our audit procedures. We did not identify any misstatements during our audit.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter, which could be significant to the Plan's financial statements or the auditors' report. No such disagreements arose during the course of the audit.

Representations Requested from Management

We have requested certain written representations from management, which are included in Attachment B to this letter.

Management's Consultations with Other Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

Other Significant Matters, Findings, or Issues

In the normal course of our professional association with the Plan, we generally discuss a variety of matters, including the application of accounting principles and auditing standards, operating and regulatory conditions affecting the entity, and operational plans and strategies that may affect the risks of material misstatement. None of the matters discussed resulted in a condition to our retention as the Plan's auditors.

To the Bay County Board of Commissioners and the Bay County Retirement Board of Trustees June 29, 2016 Page 4

Other Information in Documents Containing Audited Financial Statements

Our responsibility for the supplementary information accompanying the financial statements, as described by professional standards, is to evaluate the presentation of the supplementary information in relation to the financial statements as a whole and to report on whether the supplementary information is fairly stated, in all material respects, in relation to the financial statements as a whole. We made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

Upcoming Changes in Accounting Standards

Generally accepted accounting principles (GAAP) are continually changing in order to promote the usability and enhance the applicability of information included in external financial reporting. While it would not be practical to include an in-depth discussion of every upcoming change in professional standards, Attachment A to this letter contains a brief overview of recent pronouncements of the Governmental Accounting Standards Board (GASB) and their related effective dates. Management is responsible for reviewing these standards, determining their applicability, and implementing them in future accounting periods.

This information is intended solely for the use of the governing body and management of the Plan and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours.

Rehmann Loham LLC

BAY COUNTY EMPLOYEES' RETIREMENT SYSTEM DEFINED BENEFIT PLAN

Attachment A - Upcoming Changes in Accounting Standards / Regulations For the December 31, 2015 Audit

The following pronouncements of the Governmental Accounting Standards Board (GASB) have been released recently and may be applicable to the Plan in the near future. We encourage management to review the following information and determine which standard(s) may be applicable to the Plan. For the complete text of these and other GASB standards, visit www.gasb.org and click on the "Standards & Guidance" tab. If you have questions regarding the applicability, timing, or implementation approach for any of these standards, please contact your audit team.

GASB 72 ■ Fair Value Measurement and Application

Effective 06/15/2016 (your FY 2016)

This standard defines "fair value" as the price that would be received to sell an asset in an orderly transaction between market participants (an "exit price"). Fair value measurement is currently applied principally to investments, which GASB 72 does not change. However, it does introduce specific methods for measuring fair value when a market price is not readily available, and establishes a 3-level hierarchy of fair value that is disclosed in the footnotes, based on the presence or absence of observable market inputs.

GASB 73 ■ Pensions and Related Assets Not Within the Scope of GASB 68 Effective 06/15/2016 (your FY 2016)

This standard addresses accounting and financial reporting for pensions that were not covered by GASB Statement No. 68, because the plan assets are not held in trust. Essentially, it applies the same treatment as GASB 68, but reflects the total pension liability and plan assets separately, rather than a net pension liability. We do not expect this standard to have any significant effect on the Plan.

GASB 76 ■ The Hierarchy of GAAP for State and Local Governments Effective 06/15/2016 (your FY 2016)

This standard clarifies the source of "generally accepted accounting principles" (GAAP) for governments. Authoritative sources of GAAP now include (1) GASB pronouncements, (2) GASB implementation guides, and (3) AICPA literature specifically cleared by the GASB. This standard does not change existing GAAP.

GASB 78 ■ Pensions Provided through Certain Multiple-Employer Defined Benefit Pension Plans Effective 12/15/2016 (your FY 2016)

This standard is an amendment to GASB 68, and provides guidance to governments that participate in non-governmental cost-sharing pension plans. We do not expect this standard to have any significant effect on the Plan.

GASB 79 ■ Certain External Investment Pools and Pool Participants Effective 06/15/2016 (your FY 2016)

This standard essentially extends the guidance previously available to governments investing in 2a7-like external investment pools to carry investments at amortized cost, as an approximation of fair value. The SEC amended Rule 2a7 in 2014, so the GASB replicated its prior provisions in this statement. We do not expect this standard to have any significant effect on the Plan.

BAY COUNTY EMPLOYEES' RETIREMENT SYSTEM DEFINED BENEFIT PLAN

Attachment A - Upcoming Changes in Accounting Standards / Regulations For the December 31, 2015 Audit

GASB 82 ■ Pension Issues

Effective 06/15/2017 (your FY 2017)

This standard is an amendment to GASB 67/68 to clarify several issues related to pensions. We do not expect this standard to have any significant effect on the Plan.

照票 20 10 10

BAY COUNTY EMPLOYEES' RETIREMENT SYSTEM DEFINED BENEFIT PLAN

Attachment B - Management Representations For the December 31, 2015 Audit

The following pages contain the written representations that we requested from management.



BAY COUNTY EMPLOYEES' RETIREMENT SYSTEM BAY COUNTY VOLUNTARY EMPLOYEES' BENEFICIARY ASSOCIATION

BAY COUNTY BUILDING 515 CENTER AVENUE BAY CITY, MICHIGAN 48708-5128

Thomas L. Hickner Bay County Executive

Jan Histed Finance Officer/Secretary Kim Coonan Kristal Goetz Richard Gromaski Ernie Krygier Jon Morse Matthew Pett Thomas Starkweather

June 29, 2016

Rehmann Robson 5800 Gratiot Road, Suite 201 Saginaw, Michigan 48638 ADMINISTRATIVE STAFF Rebecca Marsters Katle Meeth (989) 895-4043 TDD (989) 895-4049 FAX (989) 895-4039

BOARD OF TRUSTEES Steven Gray, Chairperson Richard Brzezinski

This representation letter is provided in connection with your audit of the financial statements of the Bay County Employees' Retirement System Defined Benefit Plan, as of and for the year ended December 31, 2015, and the related notes to the financial statements, for the purpose of expressing an opinion on whether the basic financial statements present fairly, in all material respects, the financial position and results of operations of the Bay County Employees' Retirement System Defined Benefit Plan in conformity with accounting principles generally accepted for governments in the United States of America (U.S. GAAP).

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in the light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement.

We confirm that, having made such inquiries as we considered necessary for the purpose of appropriately informing ourselves as of June 29, 2016:

Financial Statements

- We have fulfilled our responsibilities, as set out in the terms of the engagement letter dated December 1, 2016 and the change order dated May 4, 2016, for the preparation and fair presentation of the financial statements of the plan referred to above in accordance with U.S. GAAP. We have reviewed, approved, and taken responsibility for the financial statements and related notes.
- We acknowledge our responsibility for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.
- 3. We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
- 4. Significant assumptions used by us in making accounting estimates are reasonable.
- 5. Related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of U.S. GAAP. For the purposes of this letter, related parties mean members of the governing body; board members; administrative officials; immediate families of administrative officials, board members, and members of the governing body; and any companies affiliated with or owned by such individuals.
- 6. All events subsequent to the date of the financial statements and for which U.S. GAAP requires adjustment or disclosure have been adjusted or disclosed.

- 7. The effects of all known actual or possible litigation and claims have been accounted for and disclosed in accordance with U.S. GAAP.
- 8. With regard to items reported at fair value:
 - a. The underlying assumptions are reasonable and they appropriately reflect management's intent and ability to carry out its stated courses of action.
 - b. The measurement methods and related assumptions used in determining fair value are appropriate in the circumstances and have been consistently applied.
 - The disclosures related to fair values are complete, adequate, and in conformity with U.S. GAAP.
 - d. There are no subsequent events that require adjustments to the fair value measurements and disclosures included in the financial statements.
- 9. All funds and activities are properly classified.
- 10. All funds that meet the quantitative criteria in GASB Statement No. 34, Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments, and GASB Statement No. 37, Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments: Omnibus, for presentation as major are identified and presented as such and all other funds that are presented as major are considered important to financial statement users.
- 11. All components of net position have been properly reported.
- 12. Deposit and investment risks have been properly and fully disclosed.
- 13. All required supplementary information is measured and presented within the prescribed guidelines.
- 14. We believe that the actuarial assumptions and methods used to measure pension liabilities and costs for financial accounting purposes are appropriate in the circumstances.

Information Provided

- 15. We have provided you with:
 - a. Access to all information, of which we are aware that is relevant to the preparation and fair presentation of the financial statements of the various opinion units referred to above, such as records, documentation, meeting minutes, and other matters;
 - b. Additional information that you have requested from us for the purpose of the audit; and
 - c. Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.
- 16. All transactions have been recorded in the accounting records and are reflected in the financial statements.
- 17. We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
- 18. We have no knowledge of any fraud or suspected fraud that affects the entity and involves:
 - a. Management;
 - b. Employees who have significant roles in internal control; or
 - c. Others where the fraud could have a material effect on the financial statements.
- 19. We have no knowledge of any allegations of fraud, or suspected fraud, affecting the entity's financial statements communicated by employees, former employees, vendors, regulators, or others.
- 20. We are not aware of any pending or threatened litigation and claims whose effects should be considered when preparing the financial statements and we have not consulted legal counsel concerning litigation or claims.
- 21. We have disclosed to you the identity of the entity's related parties and all the related party relationships and transactions of which we are aware.

- 22. There have been no communications from regulatory agencies concerning noncompliance with or deficiencies in accounting, internal control, or financial reporting practices.
- 23. The government has no plans or intentions that may materially affect the carrying value or classification of assets and liabilities.
- 24. We have disclosed to you all guarantees, whether written or oral, under which the government is contingently liable.
- 25. We have identified and disclosed to you the laws, regulations, and provisions of contracts and grant agreements that could have a direct and material effect on financial statement amounts, including legal and contractual provisions for reporting specific activities in separate funds.

26. There are no:

- a. Violations or possible violations of laws or regulations, or provisions of contracts or grant agreements whose effects should be considered for disclosure in the financial statements or as a basis for recording a loss contingency, including applicable budget laws and regulations.
- b. Unasserted claims or assessments that our lawyer has advised are probable of assertion and must be disclosed in accordance with GASB-62, Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements.
- Other liabilities or gain or loss contingencies that are required to be accrued or disclosed by GASB-62.
- 27. The government has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset or future revenue been pledged as collateral, except as disclosed to you.
- 28. We have complied with all aspects of grant agreements and other contractual agreements that would have a material effect on the financial statements in the event of noncompliance.
- 29. We have disclosed to you all significant estimates and material concentrations known to management that are required to be disclosed in accordance with GASB-62. Significant estimates are estimates at the balance sheet date that could change materially within the next year. Concentrations refer to volumes of business, revenues, available sources of supply, or markets or geographic areas for which events could occur that would significantly disrupt normal finances within the next year.

Supplementary Information in Relation to the Financial Statements as a Whole

- 30. With respect to the supplementary information accompanying the financial statements:
 - a. We acknowledge our responsibility for the presentation of the supplementary information in accordance with accounting principles generally accepted in the United States of America.
 - b. We believe the supplementary information, including its form and content, is fairly presented in accordance with accounting principles generally accepted in the United States of America.
 - c. The methods of measurement or presentation have not changed from those used in the prior period.
 - d. We believe the significant assumptions or interpretations underlying the measurement or presentation of the supplementary information, and the basis for our assumptions and interpretations, are reasonable and appropriate in the circumstances.

Required Supplementary Information

- 31. With respect to the required supplementary information accompanying the financial statements:
 - a. We acknowledge our responsibility for the presentation of the required supplementary information in accordance with accounting principles generally accepted in the United States of America.

- b. We believe the required supplementary information, including its form and content, is measured and fairly presented in accordance with accounting principles generally accepted in the United States of America.
- c. The methods of measurement or presentation have not changed from those used in the prior period.
- d. We believe the significant assumptions or interpretations underlying the measurement or presentation of the required supplementary information, and the basis for our assumptions and interpretations, are reasonable and appropriate in the circumstances.

vay Chairman

Name/Title

Rochw F Byggst Vice chain.

Name/Title Kap Finance Officer/Secretary

THE MASTROMARCO FIRM

A LIMITED LIABILITY COMPANY ATTORNEYS AT LAW 1024 N. MICHIGAN AVENUE SAGINAW, MI 48602

MICHIGAN VICTOR J. MASTROMARCO, JR.** RUSSELL C, BABCOCK KEVIN J. KELLY AARON M. MAJORANA STEPHEN T. BALL

RECEIVED

TELEPHONE (989) 752-1414

FACSIMILE (989) 752-6202

E-Mail: VMASTROMAR@AOL.COM

MARYLAND DAN R. MASTROMARCO JUL 1 2 2016

**ALSO ADMITTED IN IOWA

PERSONNEL DERAPTMENT

RECEIVEED

Bay County Employees' Retirement System Attn: Board of Trustees **Bay County Building** 515 Center Avenue Bay City, MI 48708-5128

JUNUI 3 2018016

PERSONALIDEBARANTENANT

RE:

Appeal of Denial of Duty Disability Retirement

To Whom It May Concern:

Please consider this letter an appeal on behalf of James Charbonneau of the Bay County Employees' Retirement System Board of Trustees' decision to deny his duty disability retirement benefits on April 13, 2016. Mr. James Charbonneau has retained my office to assist in the appeal process. Please review and consider the contents of this letter and all information enclosed in making your decision regarding his appeal. Additionally, please forward all correspondence regarding this matter to my office.

Mr. Charbonneau previously applied for duty disability retirement benefits through the Bay County Employees' Retirement System on April 7, 2016. Said application was brought before the Board of Trustees' on April 12, 2016. During said meeting, it was determined that Mr. Charbonneau did not meet the conditions for duty disability as set out in the Bay County Employees' Retirement System Ordinance Section 4.041(a)(iv)(A) due to the medical director Dr. Kirk Herrick's lack of certification of a mental or physical incapacitation for continued employment by the County. We believe that this decision was in error.

Dr. Herrick detrimentally stated incorrect facts on the Bay County Employees' Retirement System Physician Form for Duty Disability which he submitted to the County and the Board. Said findings were inconsistent with the determinations of Mr. Charbonneau's treating physicians and wrongfully minimized the medical complications he is currently experiencing and will continue to experience.

Contrary to Dr. Herrick and the Board's determination, objective medical evidence does support a finding of continued disability. On April 22, 2015, while working as a correctional facility

Stephen T. Ball
Attorney at Law

1024 N. Michigan Ave.
Saginaw, Michigan 48602
Ph: (989) 752-1414
Fax: (989) 752-6202
sball.mastromarco@gmail.com

officer for the Bay County Sheriff's Department - Jail Division, Mr. Charbonneau was involved in an altercation with an inmate where he sustained a debilitating injury. He was diagnosed with both an anterior and posterior labral tears in his left shoulder. Necessary treatment included surgery which was performed. Post-surgery, an additional related labral tear was found which will require ongoing treatment and potentially another surgical procedure. It is unquestioned that Mr. Charbonneau has an ongoing physical incapacitation for which he is unable to perform his duties as a correctional facility officer for Bay County.

Based on the foregoing, we seek to appeal the initial determination which stated that Mr. Charbonneau did not meet the conditions for duty disability as set out in the Bay County Employees' Retirement System Ordinance Section 4.041(a)(iv)(A) due to the medical director's lack of certification of a mental or physical incapacitation for continued employment by the County. Mr. Charbonneau has undergone and continues to undergo significant medical treatment for his injuries sustained in the above noted incident and is considered mentally or physically incapacitated. We seek the reversal of the initial determination. We further seek the duty disability retirement benefits for both past and future which Mr. Charbonneau is entitled to.

We are electing the standard method of appeal as listed in section 4.055(b) of the Bay County Employees' Retirement System Ordinance. Per the same ordinance, we are also requesting an oral and written argument before the board regarding this matter as this said appeal is in writing, submitted within ninety (90) days of the date of notification of denial, and has stated the reasons for appeal.

Please also consider this letter a formal request for copies of all documents, records, and other information relevant to Mr. Charbonneau's claim for benefits, including a copy of the claims file, Plan documents, and other relevant rules or guidelines.

Sincerely,

STEPHEN T. BALL

21 (6)

CORPORATION COUNSEL

Amber Davis-Johnson, Corporation Counsel johnsona@baycounty.net

Shawna S. Walraven, Assistant Corporation Counsel walravens@baycounty.net



BAY COUNTY

THOMAS L. HICKNER
County Executive

Tel: (989) 895-4131 Fax: (989) 895-7658 TDD: (989) 895-4049

August 10, 2016

James Charbonneau c/o Stephen T. Ball The Mastromarco Firm 1024 N. Michigan Ave. Saginaw, MI 48602

Mr. Charbonneau,

I am writing to inform you that the Bay County Employees' Retirement System Board of Trustees has set a date for an oral hearing, as you requested in your appeal.

Please appear on <u>Tuesday</u>, <u>September 13</u>, <u>2016 at 1:30 PM</u> in the Board of Commissioners Chambers, 515 Center Ave., 4th Floor, Bay City, Michigan 48708.

If you have any further questions, please feel free to contact me at the phone number above.

Thank/you,

Shayma S Walrayen

cc:

Katie Meeth

Rebecca Marsters

Tiffany Jerry

Sheriff John Miller

Amber Davis-Johnson

Bay County Employees' Retirement System Board of Trustees

BAY COUNTY RETIREMENT BOARD 9/13/2016 RESOLUTION

BAY COUNTY RETIREMENT BOARD

BY:

RESULVED	By the	ева	ay C	oun	ty Retirement board	ınaı ın	e m	OWIII	g reports are rece	veu.		
1. 2. 3. 4. 6. 7. 8. 9.	CHAIMON MON a. b. c. d. e. f. g. h. i. j. k. REC. a. b. NOR REFU	NGE EY E O H L M M M F S APT HE APT HUND RS'	IN EIN MAINMAINMAINMAINMAINMAINMAINMAINMAINMAIN	BOONAG NAG RNE RNE ELVI CHIS CHIS CHIS CHIS CHIS CHIS CHIS CHI	LUE - 1/1/16 - 8/31/16 OK AND MARKET V/ GERS ON WATCH - N GER REPORTS ENDING 7/31/16 RSTONE - ENDING 7/ ASSET MGMT - ENDING 7/31/16 KIS & WILEY - ENDING 7/31/16 Y SHIELDS - ENDING 7/31/16 Y SHIELDS - ENDING 7/31/16 Y SHIELDS - ENDING 7/31/16 OVERVIEW 7/31/16 DERS - ENDING 7/3 ERVICES OSER - SUMMARY ENDING UST SUMMARY ENDING UST SUMMARY ENDING UST SUMMARY EAF	7/31/16 7/31/16 NG 7/31 NG 7/31 ND 7/31 1/16 ENDIN 7/31/ RNING 8/31/	6 7/31/1 31/16 7/16 7/31 7/16 16 6S -7/	6 /16 31/16 /31/1	3			
					STEVE GRA	AY, CH	HAIR					
					AND BO							
MONTHLY REP	ORTS:	SEP	TEN	1BEI	₹							
MOVED BY TRU SUPPORTED B		STE	F		- · · · ·							
TRUSTEE	1 11(0,	Y	N	Ε	TRUSTEE	Υ	N	E	TRUSTEE	Υ	N	E
Richard Brzezi	nski				Steve Gray				Jon Morse			
Kim Coonan					Richard Gromaski				Matthew Pett			
Kristal Gonzale	es				Ernie Krygier				Thomas Starkweather			
Vote Totals: Roll Call: Voice: Disposition:	Yeas Yeas Ador Ame	s oted			Nays Excu Defeated With	ised _ ised _ idrawr erred						

RET. 2016	BAIRD	BARINGS	CORNERSTONE	DENVER	EAGLE (RJFN)	GENEVA	MILEY	LOOMIS SAYLES	MACKAY SHIELDS	MFS.	MFS INTER- NATIONAL	INTEGRITY	SCHROOER	COLUMBIA	VANGUARD	PRISA	CASH	IOTAL
VENDOR #	53541	1539	464	29624	2000	4299	57457	30127	95627	4025	2663975	<u>96150</u>	65337	44907				
January-16	26,283,359.90	9,549.37	8,024,569.76		9,137,770.44	19,317,122.12	8,643,010.85	35,626,684.74	12,045,416.38	31,368,773.03	24,387,024.29	18,703,644.28	25,440,447.89	27,919,505.11	28,982,907.68	10,204,968.00	2,118,503.07	288,213,356.69
February-16	26,478,395,80	9,724.10	7,983,427.70		8,466,632.78	18,426,852.58	7,745,292.81	35,962,113.86	12,118,530.94	30,801,024.68	23,447,311.75	18,310,761,32	25,285,553.05	28,067,691.20	28,943,685.38	10,492,136.00	3,590,989.69	286,130,124.60
March-16	26,537,197.15	10,149.14	8,760,986.78		9,039,428.01	18,356,054.70	8,553,808,96	37,093,053.76	12,766,517.82	32,525,775.18	23,144,625.39	18,257,453.44	27,153,795.99	29,997,154.52	30,908,457,95	10,492,136.00	5,165,466.43	298,760,061.22
April-18	26,550,263.68	10,165.72	8,539,439.80		9,194,415.00	18,433,022.68	8,635,510.45	37,718,226,09	13,045,771.83	32,389,182.35	24,828,194.61	18,620,464.90	27,388,757.32	30,654,357.79	31,026,396.89	10,693,192.00	3,962,112.72	301,669,473.83
May-16	26,562,219.04	9,828.33	8,789,939.91		9,397,770.03	19,016,525.74	8,536,977.58	37,670,659.73	13,193,476.59	33,351,798.78	25,061,638.99	19,068,924.49	27,721,210.17	31,257,261.87	31,581,730.62	10,693,192.00	2,694,037.53	304,607,191.40
June-16	26,981,765.58	9,927.48	7,184,852.46		9,401,521.55	18,917,259.39	8,294,976.30	38,505,541.49	11,008,025.16	32,069,284.07	25,172,426.15	19,043,324.29	26,017,554.50	30,290,411.66	30,649,759.87	15,093,192.00	4,713,680,27	303,353,502.22
July-16	27,045,242.63	9,993.07	7,453,360,39		10,041,915.06	19,333,881.46	8,857,207.77	39,150,633.66	11,523,728.72	33,682,236.12	25,035,920.54	19,781,542.48	27,746,886.88	31,482,915.98	31,777,972.72	15,093,192.00	3,836,958.76	311,833,588.24
August-16	26,981,323.84	9,894,97	7,222,084.44		9,993,278.90	19,344,173.34	8,934,281.29	39,262,276.29	11,816,320.49	33,453,984.60	26,125,987.09	19,907,963.19	27,653,688.17	31,879,881.75	31,822,818.78	15,264,326.00	2,789,455.48	312,261,738.62
Septembor-16																		
October-16																		
November-16																		
December-18																		
	BAIRD	BARINGS	CORNERSTONE	DENVER	EAGLE	GENEVA	HOTCHKIS & WILEY	LOOMIS SAYLES	MACKAY SHIELDS	<u>MFS</u>	MES INTL	INTEGRITY	SCHRODER	COLUMBIA	VANGUARD	<u>PRI\$A</u>	CASH	TOTAL
2016																		
1ST QTR 2ND QTR 3RD QTR 4TH QTR	16,585,73 16,863.67		13,141.48 10,777.28		18,078.76 18,802.91	31,790.00	20,782.97 21,222.78	28,180,20 29,065.98	14,393.93 14,414.09	45,260.73 46,178.13	41,948,92 44,566.40	38,295,00 39,207.00	49,179.87 51,062.70	34,422.36 36,277.27	2-410	28,825.01 29,154.40		380,884.96 357,592.61 0.00 0,00
2014 YTD	33,449.40	0.00	23,918.76	0.00	36,881.67	31,790.00	42,005.75	57,246.18	28,808.02	91,438.86	86,515.32	77,502.00	100,242.57	70,699.63		57,979.41		



1 JUL 16 - 31 JUL 16

Change in Book and Market Value

Page 1 of 141

	Cost	Market value	For more information
Opening balance	263,830,383.21	303,246,060,50	
Miscellaneous Cash Receipts	158,068,32	158,068.32	See funding & disbursement summary
Participant Contributions	212,264,64	212,264.64	See funding & disbursement summary
Sponsor Contributions	274,147.07	274,147.07	See funding & disbursement summary
Benefit Payment Redeposits	827,70	827.70	See funding & disbursement summary
Total receipts	645,307.73	645,307.73	See funding & disbursement summary
Benefit Payments / Beneficiary Payments	- 1,432,679,56	- 1,432,679.56	See funding & disbursement summary
Total disbursements	- 1,432,679.56	- 1,432,679.56	See funding & disbursement summary
Income received	392,347,69	392,347.69	See income & expense summary, cash activity detail
Expenses paid	- 114,606.74	- 114,606.74	See income & expense summary
Unrealized gain/loss change	0.00	9,834,491.38	See asset summary
Realized gain/loss	583,320.50	583,320.50	See realized gain/loss summary
Accrued income change	- 52,245.62	- 52,245.62	See income & expense summary
Closing balance	263,851,827.21	313,101,995.88	





Charles B. Groeschell

Managing Director Sensor Portfolio Manager Baird Advisors

July 27, 2016

Ms. Katie Meeth Retirement Administrator Bay County Employees' Retirement System 515 Center Avenue, Suite 706 Bay City, MI 48708-5128

Dear Katie:

Enclosed please find a summary review as of June 30, 2016 for the Bay County Employees' Retirement System Portfolio managed by Baird Advisors.

Market Review

The result of the late-June "Brexit" referendum in the United Kingdom was certainly unexpected, but worked to the benefit of fixed income investors as Treasury yields fell sharply following the vote. Investors had come to expect a mid-summer Fed rate hike based on improved U.S. economic data and the stated intention of Fed Chair Yellen to do so. However, the release of a weak May payroll report began to reverse those expectations and when the "leave" vote was announced, given the uncertain future of the European Union and lowered global growth expectations, all probability for a Fed Funds increase in 2016 disappeared. As Treasury yields fell, the curve flattened as intermediate and long-term yields fell more than short-term rates. Narrower credit spreads over the quarter also helped high yield corporates to provide the best performance among all fixed income sectors followed by the investment grade corporate sector. Commercial mortgage-backed securities also outperformed Treasuries although agency mortgage-backed securities lagged on heightened prepayment risks. The remarkably low (and even negative) global yield environment spurred demand for positive yielding U.S. dollar-denominated assets last quarter leading to a growing consensus that rates will stay lower for longer than previously assumed.

Enclosed please find the June 2016 Bond Market Comments which provide a more detailed review of the market.

Performance Update

During the second quarter, the Bay County Employees' Retirement System Portfolio produced strong absolute performance and outperformed its benchmark.

Positive contributors to the relative performance during the quarter include:

An underweight to government agency CMBS.

Robert W. Baird & Co. 777 E Wisconsin Ave Milwankee WI 53202 Direct 414 298-1063 Toll Free 888 792-9813 Eax 414 298-1078 Email egroeschell@rwbaird.com rwbaird.com

- Exposure to CMBS, expressed in the most senior, AAA-rated structures.
- A modest barbell structure around the 1-3 year maturities and floating rate securities enhanced performance as the yield curve flattened.

The uncertainty that Europe now faces illustrates the significant challenges that central bankers and other policy makers are working to resolve. Global interest rates are in unprecedented territory and it is certainly a time in which investors should be particularly focused on risk control. That has always been and always will be our primary focus for our clients. At the same time, we will continue to look for market opportunities that we can capitalize on in a prudent manner as they arise. Our goal remains the same, which is to deliver consistently competitive returns for our clients over a full market cycle.

Thank you for your continued confidence in our fixed income capabilities. Please let us know if you have any questions as you review this information.

Sincerely,

Charles B. Groeschell

Much B. Montell

cc: Crystal Hebert - Bay County Employees' Retirement System
Jeanette Bateman - Bay County Employees' Retirement System
Tracy Cederquist - Bay County Employees' Retirement System
Howard Pohl - The Bogdahn Group
Peter Brown - The Bogdahn Group

Bay County Employees' Retirement System Fixed Income Portfolio

June 30, 2016

	Fixed Income Portfolio	Custom Benchmark
Average Quality	AAA	AAA
Average Coupon	3.35 %	2.85 %
Current Yield	3.08 %	2.68 %
Yield to Maturity	1.66 %	1.44 %
Duration	4.32 years	4.32 years
Average Maturity	6.06 years	6.25 years
Quality Profile		
US Treasury	28.5 %	46.8 %
Agency	67.7 %	53.2 %
Aaa	3.8 %	0.0 %
Aa	0.0 %	0.0 %
Α	0.0 %	0,0 %
Baa	0.0 %	0.0 %
	100.0 %	100.0 %
Sector Profile		
US Treasury	28.5 %	46.8 %
Agency	1.5 %	3.2 %
Mortgages/CMOs	48.1 %	50.0 %
Asset-Backed	0.0 %	0.0 %
CMBS	18.0 %	0.0 %
Other Govt	0.0 %	0.0 %
Industrial	0.0 %	0.0 %
Utility	0.0 %	0.0 %
Financial Institutions	0.0 %	0,0 %
Cash	<u>3.9 %</u>	0.0 %
	100.0 %	100.0 %
Number of Issues	95	1,125
Market Value	\$26,981,878	

Custom benchmark is comprised of 50% Barclays U.S. Government/50% Barclays U.S. MBS

Baird Advisors Performance Summary



3/31/2006 - 6/30/2016

Bay County Employees' Retirement System

	Portfolio Performance Gross of Fees	Custom Benchmark*
1 Month Return	1.58%	1.48%
Trailing 3 Months	1.68%	1.57%
Year to Date	4.58%	4.16%
Trailing 12 Months	5.57%	5.19%
3 Year	3.86%	3.61%
5 Year	3.52%	3.20%
7 Year	3.96%	3.70%
10 Year	5.02%	4.85%
Annualized Since Inception	4.91%	4.73%
Cumulative Since Inception	63.44%	60.61%
Market Value as of 6/30/2016	\$26,981,878	

The performance is presented on a cumulative compound and annualized basis and does not reflect the deduction of investment advisory fees. Returns would be reduced by an advisory fee and other fees such as custodial expenses; refer to the client contract for client specific fee schedule. All returns are calculated on a time weighted, total return basis. The results shown should not be considered representative of future investment returns. Baird Advisors relies on securities valuations provided by client's custodian for purposes of performance reports. The Baird Advisors Brochure is available upon request.

^{*}The current benchmark is the custom benchmark of 50% Barclays U.S. Government/50% Barclays U.S. MBS which is an unmanaged portfolio of specific securities. Direct investment in the index is not available.

Baird Advisors Performance Summary



3/31/2006 - 6/30/2016

Bay County Employees' Retirement System

	Portfolio Performance Net of Fees	Custom Benchmark*
1 Month Return	1.56%	1.48%
Trailing 3 Months	1.61%	1.57%
Year to Date	4.45%	4.16%
Trailing 12 Months	5.30%	5.19%
3 Year	3.56%	3.61%
5 Year	3.22%	3.20%
7 Year	3.66%	3.70%
10 Year	4.71%	4.85%
Annualized Since Inception	4.60%	4.73%
Cumulative Since Inception	58.60%	60.61%
Market Value as of 6/30/2016	\$26,981,878	

The performance is presented on a cumulative compound and annualized basis net of fees. Returns would be reduced by an advisory fee and other fees such as custodial expenses; refer to the client contract for client specific fee schedule. All returns are calculated on a time weighted, total return basis. The results shown should not be considered representative of future investment returns. Client should review all account statements provided by its custodian and compare those account statements to any account statement provided by Baird Advisors, Baird Advisors relies on securities valuations provided by client's custodian for purposes of performance reports. The Baird Advisors Brochure is available upon request.

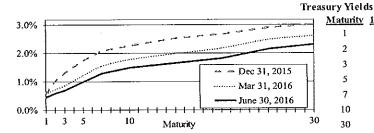
^{*}The current benchmark is the custom benchmark of 50% Barelays U.S. Government/50% Barelays U.S. MBS which is an unmanaged portfolio of specific securities. Direct investment in the index is not available.



Baird Advisors Fixed Income Market Comments June 2016

Brexit Vote Surprises Markets, Fed Lowers Growth/Rate Hike Expectations, Yields Fall

Treasury yields fell sharply in June as Britain unexpectedly voted to leave the European Union ("Brexit") and U.S. economic data disappointed, causing the Fed to lower expectations for future rate hikes. The 10 year Treasury yield fell 34 bps in the month to end the quarter at 1.49%, down 78 bps YTD and approaching all-time lows. European equities fell on the Brexit news and the British Pound hit a 30+ year low. The long-term impacts of this historic vote remain to be seen, but it is reasonable to expect modestly slower global growth and higher volatility, creating additional challenges for global central banks. Prior to Brexit, the Fed lowered its growth forecast and projected timing of Fed Funds rate hikes following a much weaker-than-expected +38K May payroll report. Markets now expect the Fed to wait until 2017 or beyond before hiking rates as tepid growth and minimal inflation persist. This comes as a major shift from April and May when Chair Yellen and the Fed publicly discussed how a Fed Funds rate hike could be warranted "in the coming months," and the market had priced a more than 50% chance of a rate hike in July.



,	_						
Maturity	12/31/15	3/31/16	5/31/16	<u>6/30/16</u>	1Mo Chg	3Mo Chg	YTD Chg
1	0.60%	0.58%	0.68%	0.44%	-0.24%	-0.14%	-0.16%
2	1.05%	0.73%	0.87%	0.59%	-0.28%	-0.14%	-0.46%
3	1.31%	0.86%	1.02%	0.70%	-0.32%	-0.16%	-0.61%
5	1.76%	1.22%	1.36%	1.01%	-0.35%	-0.21%	-0.75%
7	2.09%	1.55%	1.65%	1.29%	-0.36%	-0.26%	-0.80%
10	2.27%	1.78%	1.83%	1.49%	-0.34%	-0.29%	-0.78%
30	3.02%	2.62%	2.63%	2.31%	-0.32%	-0.31%	-0.71%

Q2 Spreads Tighter Despite Brexit, More Negative Yields

Despite Brexit-induced yield spread widening in June, spreads ended the quarter tighter as global demand for U.S. assets intensified. The remarkably low yield environment abroad continues to stoke demand for positive-yielding U.S. dollar-denominated assets. More than \$11.8 trillion of bonds in the BofA Global Broad Market Index now have negative or zero yields. For example, the German 10 year sovereign bond traded at a negative yield for the first time ever driven by strong demand for safe haven assets. In addition, the European Central Bank began its €5 billion per month bond buying program, purchasing non-financial, Euro-denominated corporate bonds. In June Toyota issued ¥20B of 3 year bonds in Japan at a yield of 0.001% - making it the lowest yielding new issue corporate ever.

Option-Adjusted Spreads (in bps)

					1.06	3.10	YID
	12/31/15	3/31/16	5/31/16	6/30/16	Chg	Chg	Chg
U.S. Aggregate Index	56	56	51	55	4.	1	-1
U.S. Agency (non-mortgage)	21	20	19	21	2	1.	0
Mortgage and ABS Sectors							
U.S. Agency Pass-throughs	24	22	18	27	9	5	. 3
Asset-Backed Securities	72	74	60	61	1	-13	-11
CMBS	121	109	94	98	4	-11	-23
Corporate Sectors					111.4		
U.S. Investment Grade	165	163	149	156	7	-7	-9.
Industrial	183	168	155	159	4	_9	-24
Utility	150	151	133	142	9	-9	-8
Financial Institutions	134	155	141	152	1.1	-3	18
U.S. High Yield Sources: Barclays	660	656	566	594	28	-62	-66

Falling Yields Generate Strong Quarterly, YTD Returns

The decline in Treasury yields boosted returns across all sectors, with longer maturities generating the strongest absolute returns for June and Q2. Corporates had the strongest performance of investment grade sectors for the quarter (+3.57%), while high yield led the pack (+5.52%) as markets made a profound recovery from the turmoil of the first quarter. High quality sectors with stable cash flows, such as commercial mortgage backed securities (+2.24%) outperformed, while agency mortgage-backed securities lagged for the quarter (+1.11%) on heightened prepayment risks. The impressive year-to-date returns across bond markets show a heightened global demand for low-risk investments coupled with a limited supply of positive yielding assets.

Total Returns of Selected Barclays Indices and Subsectors

Barclays Index/Sector	<u>June</u>	<u>3 Mo</u>	$\underline{\text{YTD}}$
U.S. Aggregate Index	1.80%	2.21%	5.31%
U.S. Gov't/Credit Index	2.20%	2.67%	6.23%
U.S. Intermediate Gov't/Credit Index	1.43%	1.59%	4.07%
U.S. 1-3 Yr. Gov't/Credit Index	0.60%	0.67%	1.65%
U.S. Treasury	2.21%	2.10%	5.37%
U.S. Agency	1.19%	1.22%	3.28%
MBS (Mortgage-Backed Securities)	0.81%	1.11%	3.10%
CMBS (Commercial Mortgage-Backed Securities)	1.72%	2.24%	5.92%
ABS (Asset-Backed Securities)	0.83%	1.17%	2.54%
U.S. Corporate - Investment Grade	2.25%	3.57%	7.68%
Corporate High Yield	0.92%	5.52%	9.06%
Municipal Bond Index	1.59%	2.61%	4.33%
TIPS (Treasury Inflation Protected Securities)	2.08%	1.71%	6.24%

Disclosures

This is not a complete analysis of every material fact regarding any company, industry or security. The information has been obtained from sources we consider to be reliable, but we cannot guarantee the accuracy.

Fixed income is generally considered to be a more conservative investment than stocks, but bonds and other fixed income investments still carry a variety of risks such as interest rate risk, credit risk, inflation risk, and liquidity risk. In a rising interest rate environment, the value of fixed-income securities generally decline and conversely, in a falling interest rate environment, the value of fixed-income securities generally increase. High yield securities may be subject to heightened market, interest rate or credit risk and should not be purchased solely because of the stated yield.

Indices are unmanaged, and are not available for direct investment. Past performance is not a guarantee of future results.

The Barclays Aggregate Bond Index is an index comprised of approximately 6000 publicly traded bonds including U.S. Government, mortgage-backed, corporate, and Yankee bonds with an average maturity of approximately 10 years.

The Barclays Government/Credit Index is a combination of the Government Index which measures government-bond general and Treasury funds, and the Credit Bond Index, which is a market value-weighted index which tracks the returns of all publicly issued, fixed-rate, nonconvertible, dollar-denominated. SEC registered, investment grade Corporate Debt.

The Barclays Intermediate Government/Credit Index is a combination of the Government Index which measures government-bond general and Treasury funds, and the Credit Bond Index, which is a market value-weighted index which tracks the returns of all publicly issued, fixed-rate, nonconvertible, dollar-denominated, SEC registered, investment grade Corporate Debt with maturities between one and ten years.

The Barclays Government/Credit Intermediate Index (1 – 3 yr.) is a combination of the Government Index which measures government-bond general and Treasury funds, and the Credit Bond Index, which is a market value-weighted index which tracks the returns of all publicly issued, fixed-rate, nonconvertible, dollar-denominated, SEC registered, investment grade Corporate Debt with maturities between zero and three years.

The Barclays U.S. Treasury Index includes public obligations of the U.S. Treasury. Treasury bills are excluded by the maturity constraint of at least one year but are part of a separate Short Treasury Index. In addition, certain special issues, such as state and local government series bonds (SLGs), as well as U.S. Treasury TIPS, are excluded. STRIPS are excluded from the index because their inclusion would result in double-counting. Securities in the Index roll up to the U.S. Aggregate, U.S. Universal, and Global Aggregate Indices. The U.S. Treasury Index was launched on January 1, 1973.

U.S. Agency: This index is the U.S. Agency component of the U.S. Government/Credit index. Publicly issued debt of U.S. Government agencies, quasi-federal corporations, and corporate or foreign debt guaranteed by the U.S. Government (such as USAID securities). The largest issues are Fannie Mae, Freddie Mac, and the Federal Home Loan Bank System (FHLB). The index includes both callable and non-callable agency securities.

U.S Corporate – Investment Grade: This index is the Corporate component of the U.S. Credit index. It includes publicly issued U.S. corporate and specified foreign debentures and secured notes that meet the specified maturity, liquidity, and quality requirements. To qualify, bonds must be SEC-registered.

CMBS (Commercial Mortgage-Backed Securities): This index is the CMBS component of the U.S. Aggregate index. The Barclays CMBS ERISA-Eligible Index is the ERISA-eligible component of the Barclays CMBS Index. This index, which includes investment grade securities that are ERISA eligible under the underwriter's exemption, is the only CMBS sector that is included in the U.S. Aggregate Index.

MBS (Mortgage-Backed Securities): This index is the U.S. MBS component of the U.S. Aggregate index. The MBS Index covers the mortgage-backed pass-through securities of Ginnie Mae (GNMA), Fannie Mae (FNMA), and Freddie Mac (FHLMC). The MBS Index is formed by grouping the universe of over 600,000 individual fixed rate MBS pools into approximately 3,500 generic aggregates.

ABS (Asset-Backed Securities): This index is the ABS component of the U.S. Aggregate index. The ABS index has three subsectors: credit and charge cards, autos, and utility. The index includes pass-through, bullet, and controlled amortization structures. The ABS Index includes only the senior class of each ABS issue and the ERISA-eligible B and C tranche. The Manufactured Housing sector was removed as of January 1, 2008, and the Home Equity Loan sector was removed as of October 1, 2009.

Corporate High Yield: The Barclays U.S. High Yield Index covers the universe of fixed rate, non-investment grade debt. Eurobonds and debt issues from countries designated as emerging markets (sovereign rating of Baa1/BBB+/BBB+ and below using the middle of Moody's, S&P, and Fitch) are excluded, but Canadian and global bonds (SEC registered) of issuers in non-EMG countries are included. Original issue zeroes, step-up coupon structures, 144-As and pay-in-kind bonds (PIKs, as of October 1, 2009) are also included.

The Barelays Municipal Bond Index is a broad-based, total-return index. The bonds are all investment-grade, tax-exempt, and fixed-rate securities with long-term maturities (greater than 2 years). They are selected from issues larger than \$50 million.

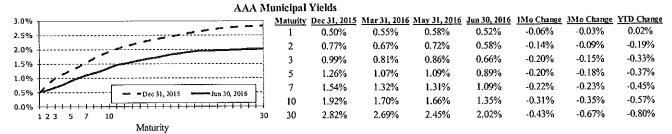
The Barclays TIPS Index consists of Treasury Inflation Protected Securities (TIPS). TIPS are securities whose principal is tied to the Consumer Price Index. TIPS pay interest semi-annually, based on the fixed rate applied to the adjusted principal.



Baird Advisors Municipal Fixed Income Market Comments June 2016

Lower, Flatter, Narrower

Interest rates moved steadily lower during the second quarter, but the pace of decline accelerated in late-June after the Brexit vote in the United Kingdom. The surprising "leave" outcome led to sharply lower rates, particularly among the longest maturity tax-free yields as expectations of any Fed rate hike this year disappeared. To put the curve flattening during the quarter in perspective, long-term tax-free rates fell by a stunning 67 bps, far outpacing the 33 bps decline in 30-year taxable Treasury yields. Short-term tax-free rates fell by just 3 bps, leading to the flattest tax-free curve between 1-30 years (+150 bps) since the financial crisis. The same motivation that led investors into longer maturities also encouraged many to stretch for yield among lower quality issues, leading to narrower credit spreads. The trend toward lower yields, a flatter curve, and narrower credit spreads occurred against a backdrop of rising supply. New issuance rose 9% in June, the second straight month of year-over-year volume increases, bringing YTD supply just 4% below 2015's pace. Demand was robust as the streak of municipal mutual fund inflows continued uninterrupted, now at 38 consecutive weeks, averaging approximately \$1.1B per week. July and August are the second and third highest months for reinvestment from bond calls and maturities this year (behind June), suggesting a continuation of the favorable technical market backdrop through the balance of the summer.



Credit Updates

On June 30th President Obama signed the PROMESA bill which allows Puerto Rico to begin working through its severe fiscal challenges. Among the many features of the bill, it allows for: 1) the stay of all debt-related litigation against the Commonwealth through at least February 2017, 2) the establishment of a seven member Control Board with power over financial matters, and 3) the ability to force any holdout bondholders to accept debt restructuring terms if two-thirds of bondholders consent voluntarily. The bill did not, however, prevent the default on \$911 million of July 1 debt payments, \$780 million of which was constitutionally backed general obligation debt.

Another last minute deal occurred in Illinois as Republican Governor Rauner and the Democratic-led legislature reached a compromise on a six month spending plan. Having gone a full year without a budget, this plan assures schools will open in the fall, provides some financial relief for Chicago Public Schools (CPS), and allows the city of Chicago to raise property taxes to help pay for CPS pensions. Illinois' ratings recently fell into the "BBB" category by all three major rating agencies. Despite the ratings pressure, Illinois successfully borrowed \$550 million in the market at spreads in the ten year maturity range of approximately +190 bps to AAA rated tax-free yields; only slightly wider than where it was trading prior to issuance.

Strong Quarterly Returns

The returns for both the month of June and the full quarter illustrate how risk-seeking investors were well rewarded. Longer-term segments of the market outperformed shorter maturities, with the longest bonds returning an impressive 4.5% return for the quarter. While the quality performance differences for the quarter weren't as dramatic as the curve disparity (+385 bps between the short and long maturities), the outperformance of BBB over AAA credits was still an impressive 101 bps. Further evidence of the risk-on theme is found in the high yield sector, the best performing sector in June and for the full quarter, thanks to a price rebound for select Puerto Rico credits as prospects for passage of the PROMESA bill improved.

Total Returns of Selected Barclays Municipal Indices and Subsectors

Barclays Index/Sector	<u>June</u>	<u>3 Mo</u>	<u>YTD</u>	Barclays Quality	<u>June</u>	<u>3Mo</u>	YID
Municipal Bond Index	1.59%	2.61%	4.33%	AAA	1.43%	2.20%	3.74%
General Obligation bonds	1.52%	2.41%	3.96%	AA	1.49%	2.40%	4.00%
Revenue bonds	1.74%	2.92%	4.82%	A	1.82%	3.14%	5.12%
Prerefunded bonds	0.49%	0.65%	1.28%	BBB	1.82%	3.21%	5.30%
Long maturities (22+ yrs.)	2.53%	4.51%	6.84%	High Yield	3.11%	4.58%	6.31%
Intermediate maturities (1 - 17 yrs.)	1.24%	1.90%	3.38%	HY, ex-Puerto Rico	1.88%	3.17%	4.99%
Short maturities (1 - 5 vrs.)	0.48%	0.66%	1.37%				

Disclosures

This is not a complete analysis of every material fact regarding any company, industry or security. The information has been obtained from sources we consider to be reliable, but we cannot guarantee the accuracy.

Fixed income is generally considered to be a more conservative investment than stocks, but bonds and other fixed income investments still carry a variety of risks such as interest rate risk, credit risk, inflation risk, and liquidity risk. In a rising interest rate environment, the value of fixed-income securities generally decline and conversely, in a falling interest rate environment, the value of fixed-income securities generally increase. High yield securities may be subject to heightened market, interest rate or credit risk and should not be purchased solely because of the stated yield.

Indices are unmanaged, and are not available for direct investment. Past performance is not a guarantee of future results.

The Barclays Municipal Bond Index is a broad-based, total-return index. The bonds are all investment-grade, tax-exempt, and fixed-rate securities with long-term maturities (greater than 2 years). They are selected from issues larger than \$50 million. The components listed below the Municipal Bond Index (long maturities, intermediate maturities, short maturities, prefunded bonds, general obligation bonds and revenue bonds) are subsectors of the Barclays Municipal Bond Index and do not represent separate indices.

The Barclays High Yield Municipal Index includes bonds with a par value of at least \$3 million and must be issued as part of a transaction of at least \$20 million. The maximum rating for inclusion is Bal/BB+/BB+ using the middle rating.

For more information about the Barclays Municipal Bond Index or Barclays High Yield Municipal Index, please visit https://index.barcap.com/Home/Guides and Factsheets.

Municipal securities investments are not appropriate for all investors, especially those taxed at lower rates. The alternative minimum tax (AMT) may be applicable, even for securities identified as tax exempt. Past performance is not a guarantee of future results.



PERFORMANCE HISTORY Bay County Employees' Retirement System U.S. REIT Strategy

Percent Total Return Per Period

Time Period	7/31/2016	Porti Gross	folio Net	FTSE/NAREIT Equity REIT Index
1 Month		3,82%	3.77%	4.15%
YTD		17.70%	17.30%	18.09%
1 Year		22.40%	21.68%	22.29%
3 Year		17.15%	16.46%	14.76%
5 Year		14.01%	13.33%	13.17%
Inception (October	21, 2008)	17.46%	16.76%	15.55%



Bay County Employees' Retirement System U.S. REIT Strategy

Symbol	Description	Property Type	Shares	Cost	Cost Per Share	Closing Price 7/31/2016	Percentage of Portfolio	Market Value 7/31/2016	Dividend Yield
Equity Holdings								•	
ACC	American Campus Communities In	Apartment	4,910	\$213,358	\$43.45	\$54.07	3.6%	\$265,484	3.1%
AVB	AvalonBay Communities Inc	Apartment	1,620	\$282,472	\$174.37	\$185.65	4.0%	\$300,753	2.9%
SS	Essex Property Trust Inc	Apartment	1,120	\$252,663	\$225.59	\$233.88	3.5%	\$261,946	2.7%
ΛAA	Mid-America Apartment Communit	Apartment	1,040	\$105,909	\$101.84	\$106.02	1.5%	\$110,261	3.1%
ONE	CyrusOne Inc	Data Center	7,460	\$352,305	\$47.23	\$54.82	5.5%	\$408,957	2.8%
QIX	Equinix Inc	Data Center	780	\$251,019	\$321.82	\$372.87	3.9%	\$290,839	1.9%
TS	QTS Realty Trust Inc	Data Center	2,910	\$162,398	\$55.81	\$57.25	2.2%	\$166,598	2.5%
RC	Spirit Realty Capital Inc	Free Standing	4,080	\$55,098	\$13.50	\$13.67	0.7%	\$55,774	5.1%
oc	Physicians Realty Trust	Healthcare	6,480	\$106,748	\$16.47	\$21.72	1,9%	\$140,746	4.1%
CN	Welltower Inc	Healthcare	4,720	\$304,460	\$64.50	\$79.33	5.0%	\$374,438	4.3%
HI	National Health Investors Inc	Healthcare	1,087	\$68,186	\$62.73	\$78.57	1.1%	\$85,406	4.6%
TR	Ventas Inc	Healthcare	4,857	\$315,663	\$64.99	\$76,16	5.0%	\$369,909	3.8%
-ISP	Chesapeake Lodging Trust	Hotels	2,620	\$64,166	\$24.49	\$25.27	0.9%	\$66,207	6.3%
RH	DiamondRock Hospitality Co	Hotels	5,100	\$68,847	\$13.50	\$9.82	0.7%	\$50,082	5,1%
H TO 10 10 10 10 10 10 10 10 10 10 10 10 10	FelCor Lodging Trust Inc	Hotels	14,440	\$146,438	\$10.14	\$6.35	1.2%	\$91,694	3.8%
LT	Hilton Worldwide Holdings Inc	Hotels/Not Indexed	2,120	\$47,546	\$22.43	\$23.19	0.7%	\$49,163	1.2%
RENERAL MARKANIS	Duke Realty Corp	Industrial	10,670	\$241,805	\$22.66	\$28.79	4.1%	\$307,189	2.5%
, <u>-</u>	First Industrial Realty Trust	Industrial	10,340	\$259,985	\$25.14	\$29.47	4.1%	\$304,720	2.6%
D 14 14 14 15 11 11 11 11 11 11 11 11 11 11 11 11	Prologis Inc	Industrial	2,930	\$146,243	\$49.91	\$54.49	2.1%	\$159,656	3.1%
J!	Sun Communities Inc	Manufactured Homes	2,420	\$169,990	\$70.24	\$79.15	2.6%	\$191,543	3.3%
(P **********	Boston Properties Inc	Office	2,320	\$273,510	\$117.89	\$142.13	4.4%	\$329,742	1.8%
w	Highwoods Properties Inc	Office	2,810	\$105,817	\$37.66	\$55.72	2.1%	\$156,573	3,1%
c Colores	Kilroy Realty Corp	Office of the second	2,922	\$189,592	\$64.88	\$73.21	2.9%	\$213,920	2.0%
GRE	Paramount Group Inc	Office	10,810	\$188,429	\$17.43	\$17.63	2.6%	\$190,580	2.2%
.G - 122 (114)	SL Green Realty Corp	Office		\$98,418	\$96.49	\$117.82	1.6%	\$120,176	2.4%
AC	Macerich Co/The	Regional Mall	3,370	\$267,399	\$79.35	\$89.24	4.0%	\$300,739	3.0%
G THE STATE	Simon Property Group Inc	Regional Mall	3,098	\$407,815	\$131.64	\$227.04	9.4%	\$703,370	2.8%
.0	Taubman Centers Inc	Regional Mall	1,920	\$148,498	\$77.34	\$80.92	2.1%	\$155,366	2.9%
CR THE THE PARTY	Extra Space Storage Inc	Self-Storage	1,960	\$171,787	\$87.65	\$86.02	2,3%	\$168,599	3.6%
KR	Acadia Realty Trust	Shopping Centers	5,471	\$167,276	\$30.58	\$37.66	2.8%	\$206,038	2.7%
νν 3Χ (37-35), (1945)	Brixmor Property Group Inc	Shopping Centers	3,960	\$110,331	\$27.86	\$28,40	1.5%	\$112,464	3.5%
		Shopping Centers	5,470	\$154,490	\$28.24	\$33.27	2.4%	\$181,987	2.6%
QY Mare the tight relief	Equity One Inc Kimco Realty Corp	Shopping Centers	3,470	\$91,643	\$26.41	\$32,10	1.5%	\$111,387	3.2%
M	Regency Centers Corp	Shopping Centers	2,500	\$169,540	\$67.82	\$84.93	2.8%	\$212,325	2.4%
EG			2,400	\$77,547	\$32.31	\$41.74	1,3%	\$100,176	3.1%
(T	Tanger Factory Outlet Centers	Shopping Centers		tal Equities	234.31		98.1%	\$7,314,804	3.0%
				tal Equilies tal Cash & Casi	h Equivalents		1,9%	\$143,567	5.070
			. 10	Total Portfolio			100,0%	\$7,458,371	





Bay County Employees' Retirement System - 05231100

Portfolio Style: SmallCap Growth Equity

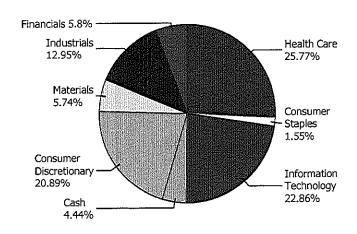
Portfolio Summary			
	Month To Date	Year To Date	
Beginning Market Value	9,401,456.18	10,188,378.45	
Contributions	344.76	687.37	
Withdrawals	-6.89	-625,521.51	
Dividend and Interest Income	7,089.20	37,731.79	
Change in Market Value	631,911.60	439,518.75	
Ending Market Value	10,040,794.85	10,040,794.85	

Performance Summary										
	MTD	ΩТΩ	YTD	1 Year	3 Years	5 Years	Annualized Since Inception			
Gross	6.80	6.80	6.39	-2.75	6.9	10.50	14.78			
Net	6.59	6.59	5.73	-3.54	6.00	9.54	13.83			
RU20GRTR ¹	6.54	6.54	4.84	-5.30	7.39	10.78	15.34			

Performance is based on fiscal year end of portfolio



Industry Weightings



di salah	Top Ten Holdings
ket Value	Security Description
4.35%	JNIVERSAL ELECTRONICS INC
2.78%	QUAKER CHEMICAL CORP
2.47%	GENESCO INC
2.46%	NATUS MEDICAL INC
2.13%	/AIL RESORTS INC
2.09%	WASTE CONNECTIONS INC
2.02%	COHERENT INC
1.99%	IMPERVA INC
1.75%	REALPAGE INC
1.75%	SYNOVUS FINANCIAL CORP
	REALPAGE INC

¹ Russell 2000 Growth Index

Henderson Geneva Capital Management PORTFOLIO APPRAISAL

Bay County Employees' Retirement System XXXX9057 (bcers) July 31, 2016

Quantity	Security	Unit Cost	Total Cost	Price	Market Value	Pct. Assets	Yield
COMMON STOC	к						
903	ABIOMED INC COM	101.38	91,547	117.97	106,527	0.6	0.0
1,363	ACUITY BRANDS INC	196.88	268,341	262.43	357,692	1.9	0.2
1,746	AFFILIATED MANAGERS GRP COM	122.37	213,656	146.78	256,278	1.3	0.0
3,759	ALIGN TECHNOLOGY INC COM	30.60	115,043	89.15	335,115	1.7	0.0
8,046	AMPHENOL CORP NEW CL A	33.96	273,228	59.52	478,898	2.5	0.9
3,730	ANSYS INC COM	72.76	271,396	89.36	333,313	1.7	0.0
1,986	BARD C R INC COM	127.05	252,319	223.73	444,328	2.3	0.5
3,925	BEACON ROOFING SUPPLY INC COM	36.15	141,905	47.02	184,553	1.0	0.0
6,161	BROADRIDGE FINL SOLUTIONS INC COM	54,41	335,195	67.68	416,976	2.2	1.8
4,018		85.78	344,657	101.25	406,822	2.1	1.3
7,100		43.16	306,444	62.39	442,969	2.3	0.0
4,926		59.54	293,276	98.24	483,930	2.5	1.4
6,533		39.08	255,337	57.49	375,582	1.9	0.0
1,921		163.99	315,024	182.47	350,525	1.8	0.0
6,283	COPART INC COM	32.80	206,089	50.44	316,915	1.6	0.0
1,778		145.37	258,468	207.90	369,646	1.9	0.0
6,249	DENTSPLY SIRONA INC COM	39.37	246,039	64.04	400,186	2.1	0.5
9,276	EAST WEST BANCORP INC COM	23.16	214,812	34.22	317,425	1.6	2.3
5,677	FASTENAL CO COM	46.02	261,280	42.75	242,692	1.3	2.8
4,936	FISERV INC COM	41.39	204,302	110.36	544,737	2.8	0.0
3,088	FORTUNE BRANDS HOME & SEC INC COM	58.63	181,053	63.27	195,378	1.0	1.0
4,221	GARTNER INC COM	81.35	343,378	100.25	423,155	2.2	0.0
5,987	HAIN CELESTIAL GROUP INC COM	45.49	272,355	52.79	316,054	1.6	0.0
4,153	HUNT J B TRANS SVCS INC COM	74.54	309,563	83.13	345,239	1.8	1.1
3,972	IDEX CORP COM	52.85	209,906	89.79	356,646	1.8	1.5
2,809	IDEXX LABS INC COM	64.91	182,329	93.79	263,456	1.4	0.0
1,544	INTERCONTINENTAL EXCHANGE INC COM	127.72	197,197	264.20	407,925	2.1	1.3
4,117		62.44	257,070	110.99	456,946	2.4	1.1
3,358	J2 GLOBAL INC COM	74.57	250,419	66.84	224,449	1.2	2.0
14,118		23.35	329,684	34.39	485,518	2.5	0.0
7,491		36.87	276,197	58.05	434,853	2.2	0.0
2,873		64.16	184,319	58.92	169,277	0.9	0.3
3,529		76.75	270,841	120.38	424,821	2.2	0.0
2,064		87.69	180,985	290.63	599,860	3.1	0.0
1,778		173.44	308,375	219.32	389,951	2.0	0.0

Henderson Geneva Capital Management PORTFOLIO APPRAISAL

Bay County Employees' Retirement System XXXX9057 (bcers) July 31, 2016

Quantity	Security	Unit Cost	Total Cost	Price	Market Value	Pct. Assets	Yield
4,881	PAREXEL INTL CORP	33.14	161,741	66.85	326,295	1.7	0.0
2,291	PERRIGO CO PLC SHS	149.25	341,943	91.39	209,374	1.1	0.6
6,557		53.44	350,411	54.90	359,979	1.9	1.5
5,016	RED HAT INC COM	57.20	286,937	75.29	377,655	2.0	0.0
1,685	ROPER TECHNOLOGIES INC COM	125.96	212,250	170.36	287,057	1.5	0.7
1,035	SCHEIN HENRY INC	179.37	185,653	180.98	187,314	1.0	0.0
2,689	SIGNATURE BK NEW YORK N Y COM	72.85	195,889	120.24	323,325	1.7	0.0
2,389	SMUCKER J M CO COM NEW	93.37	223,065	154.16	368,288	1.9	1.9
1,569	SNAP ON INC COM	161.57	253,509	157.17	246,600	1.3	1.6
3,039	SS&C TECHNOLOGIES HLDGS INC COM	31.13	94,604	32.22	97,917	0.5	8.0
3,807	STERIS PLC SHS USD	75.09	285,868	70.95	270,107	1.4	1.4
6,038	TRACTOR SUPPLY CO COM	46.82	282,687	91.65	553,383	2.9	1.0
2,888	TYLER TECHNOLOGIES INC COM	90.03	260,006	163.02	470,802	2.4	0.0
1,682	ULTIMATE SOFTWARE GROUP INC COM	151.72	255,199	209.10	351,706	1.8	0.0
4,890	UNDER ARMOUR INC - CLASS C	16.69	81,627	35.70	174,573	0.9	0.0
4,856	UNDER ARMOUR INC	17.58	85,391	39.46	191,618	1.0	0.0
3,383	VARIAN MED SYS INC	74.77	252,952	94.74	320,505	1.7	0.0
5,079	VERISK ANALYTICS INC COM	62.77	318,826	85.28	433,137	2.2	0.0
2,630		47.44	124,756	68.50	180,155	0.9	0.6
1,337		136.86	182,978	144.04	192,581	1.0	2.4
4,410	WILLIAMS SONOMA INC COM	68.23	300,883	54.08	238,493	1.2	2.7
			13,359,205		18,819,500	97.3	0.6
CASH AND EQU							
	ACCRUED DIVIDENDS		5,425		5,425	0.0	0.0
	CASH ACCOUNT	<u>.</u>	509,038	_	509,038	2.6	0.0
			514,463		514,463	2.7	0.0
TOTAL PORTFO	EIO		13,873,667		19,333,963	100.0	0.6

Henderson Geneva Capital Management PORTFOLIO APPRAISAL

Bay County Employees' Retirement System XXXX9057 (bcers)

July 31, 2016

		Unit	Total		Market	Pct.	
Quantity	Security	Cost	Cost	Price	Value	Assets	Yield

The enclosed reports include account information such as asset allocation, performance, trade activity, and holdings. Please notify Henderson Geneva Capital Management ("HGCM") immediately at 414-224-6002 or MKEOperations@henderson.com if there have been any material changes related to the financial information presented.

We encourage you to compare these reports with information provided by the independent custodian for your account(s). If you are not receiving periodic statements directly from your custodian, you should notify us immediately. Please note that the market value on HGCM reports may differ from the statement provided by your custodian due to cut-off date, unsupervised assets (if applicable), pricing, or deposits/withdrawals. HGCM has no responsibility to act on any holdings designated as unsupervised holdings until instructions are received from the client. For tax purposes, refer to custodian records and consult with your tax advisor. HGCM reports should not be relied upon for tax purposes. Cost basis and gain/loss detail is provided for informational purposes only and may differ from custodian records. Please reference your custodial statement for the yield on money market fund(s). Sector information is based on data provided by Russell Index Services. Frank Russell Company is the source and owner of the Russell index data contained or reflected in this material and all trademarks and copyrights related thereto. Frank Russell is not responsible for the formatting or configuration of this material or for any inaccuracy in HGCM's presentation thereof. Past performance is not indicative of future results. One cannot invest directly in an index. This is a presentation of HGCM and contains confidential information. Unauthorized use, disclosure, copying, dissemination or redistribution is strictly prohibited. Henderson Geneva Capital Management is the name under which Geneva Capital Management advisory services.

Henderson Geneva Capital Management PERFORMANCE HISTORY NET OF FEES

Bay County Employees' Retirement System XXXX9057 (bcers)

From 12-31-2015 to 07-31-2016

			Pe	ercent Retur Per Period				
Time Period		Total Account	Equities	Russell Midcap Growth Index				
12-31-2015	to	01-31-2016	-5.72	-5.71	-7.57			
01-31-2016	to	02-29-2016	-1.41	-1.47	1.57			
02-29-2016	to	03-31-2016	6.71	7.10	7.14			
03-31-2016	to	04-30-2016	0.25	0.43	-0.06			
04-30-2016	to	05-31-2016	3.17	3.29	1.64			
05-31-2016	to	06-30-2016	-0.52	-0.54	-0.02			
06-30-2016	to	07-31-2016	2.03	2.28	4.95			
Date to	Da	te						
12-31-2015	to	07-31-2016	4.12	5.00	7.21			

The enclosed reports include account information such as asset allocation, performance, trade activity, and holdings. Please notify Henderson Geneva Capital Management ("HGCM") immediately at 414-224-6002 or MKEOperations@henderson.com if there have been any material changes related to the financial information presented.

We encourage you to compare these reports with information provided by the independent custodian for your account(s). If you are not receiving periodic statements directly from your custodian, you should notify us immediately. Please note that the market value on HGCM reports may differ from the statement provided by your custodian due to cut-off date, unsupervised assets (if applicable), pricing, or deposits/withdrawals. HGCM has no responsibility to act on any holdings designated as unsupervised holdings until instructions are received from the client. For tax purposes, refer to custodian records and consult with your tax advisor. HGCM reports should not be relied upon for tax purposes. Cost basis and gain/loss detail is provided for informational purposes only and may differ from custodian records. Please reference your custodial statement for the yield on money market fund(s). Sector information is based on data provided by Russell Index Services. Frank Russell Company is the source and owner of the Russell index data contained or reflected in this material and all trademarks and copyrights related thereto. Frank Russell is not responsible for the formatting or configuration of this material or for any inaccuracy in HGCM's presentation thereof. Past performance is not indicative of future results. One cannot invest directly in an index. This is a presentation of HGCM and contains confidential information. Unauthorized use, disclosure, copying, dissemination or redistribution is strictly prohibited. Henderson Geneva Capital Management is the name under which Geneva Capital Management advisory services.

Henderson Geneva Capital Management PERFORMANCE HISTORY NET OF FEES

Bay County Employees' Retirement System XXXX9057 (bcers)

From 01-17-2013 to 07-31-2016

			Pe	ercent Retur Per Period	n
Tim	e Pe	eriod	Total Account	Equities	Russell Midcap Growth Index
01-17-2013	to	12-31-2013	25.11	26.17	29.97
12-31-2013	to	12-31-2014	4.96	6.21	11.90
12-31-2014	to	12-31-2015	3.99	4.61	-0.20
12-31-2015	to	07-31-2016	4.12	5.00	7.21
Date to	Da	te			
01-17-2013 Annualized	to	07-31-2016	42.18 10.47	47.19 11.55	55.61 13.32

The enclosed reports include account information such as asset allocation, performance, trade activity, and holdings. Please notify Henderson Geneva Capital Management ("HGCM") immediately at 414-224-6002 or MKEOperations@henderson.com if there have been any material changes related to the financial information presented.

We encourage you to compare these reports with information provided by the independent custodian for your account(s). If you are not receiving periodic statements directly from your custodian, you should notify us immediately. Please note that the market value on HGCM reports may differ from the statement provided by your custodian due to cut-off date, unsupervised assets (if applicable), pricing, or deposits/withdrawals. HGCM has no responsibility to act on any holdings designated as unsupervised holdings until instructions are received from the client. For tax purposes, refer to custodian records and consult with your tax advisor. HGCM reports should not be relied upon for tax purposes. Cost basis and gain/loss detail is provided for informational purposes only and may differ from custodian records. Please reference your custodial statement for the yield on money market fund(s). Sector information is based on data provided by Russell Index Services. Frank Russell Company is the source and owner of the Russell index data contained or reflected in this material and all trademarks and copyrights related thereto. Frank Russell is not responsible for the formatting or configuration of this material or for any inaccuracy in HGCM's presentation thereof. Past performance is not indicative of future results. One cannot invest directly in an index. This is a presentation of HGCM and contains confidential information. Unauthorized use, disclosure, copying, dissemination or redistribution is strictly prohibited. Henderson Geneva Capital Management is the name under which Geneva Capital Management advisory services.

BAY COUNTY EMPLOYEES' RETIREMENT SYSTEM

Small Cap Value

Total Market Value: \$8,857,069 (3.5% Cash)

3.5% Cash)

Month Ended July 31, 2016

Performance Returns - Gross of Fees					Weighted Average Portfolio Characteristics			
	MTD	QTD	YTD	Since Incept		Portfolio	Rus 2000 V	Rus 2000
Portfolio - Total Return	6.78 %	6.78 %	0.73 %	9.08 %	Projected P/E (FY2)	11.8x	14.7x	16.2x
					Price / Normal Earnings	8.5x	13.2x	16.4x
Russell 2000 Value Index	5.40	5.40	11.80	7.67	Price / Cash Flow	7.9x	7.0x	9.1x
Russell 2000 Index	5.97	5.97	8.32	7.97	Price / Book	1.2x	1.3x	2.0x
S&P 500 Index	3.69	3.69	7.66	8.05	Dividend Yield	1.3%	2.3%	1.6%
					Market Capitalization (mm)	\$2,317	\$1,691	\$1,828
Commencement of portfolio: 12/1/03. Pe	riods over one year	are average an	nualized retu	rns.	# of Holdings / 1-Yr Turnover	58	/ 32%	
Top and Bottom Five Contributors to Performance				Trading Data	Top Ter	n Holdings - Tota	ıl Portfolio	

Top and Bottom Five	Contributors t	o Performan	ce	Trading Data		Top Ten Holdings - Tota	P\$400644501 2250 \$ \$290 DEMONSTRATIONAL SECTION \$4.242
	Avg Wgt	Ttl Ret.	Contr.	Major Buy(Sell) New buy/final sell	+/-		End Wgt
ARRIS Int'l PLC	4.40 %	29.96 %	1.20 %	Korn/Ferry Int'I	0.5% *	ARRIS Int'l PLC	4.9 %
Hanger Inc.	1.99	44.68	0.77			Horace Mann Educ. Corp.	4.8
Matson Inc.	4.02	15.73	0.61			Rush Enterprises Inc.	4.6
Popular Inc.	2.62	14.98	0.38			Matson Inc.	4.1
Rush Enterprises Inc.	4.57	6.64	0.31			First Niagara Fin'l Grp Inc.	3.5
Invacare Corp.	0.87 %	-5.03 %	-0.04 %	(QLogic Corp.)	-0.7%	Tutor Perini Corp.	3.3
Great Plains Energy Inc.	2.58	-2.04	-0.05	(Pebblebrook Hotel Trust)	-1.0%	Office Depot Inc.	3.1
Taro Pharmaceutical Inds.	1.33	-3.8 <i>7</i>	-0.05			KBR Inc.	3.0
NRG Energy Inc.	1.42	<i>-7.</i> 48	-0.11			Masonite Int'l Corp.	3.0
LifePoint Health Inc.	3.05	-9.47	-0.29			Geo Grp Inc.	3.0

		Performa	nce Attributi	on				Top Ten Industries - Tota	l Portfolio 🦠 🤊
	Portfo	olio	Russell 20	00 Value	A	llocation		-	
	Avg Wgt	Equ. Ret.	Avg Wgt	Equ. Ret.	Sector	Stock	Total		End Wgt
Information Technology	12.70 %	6 14.64 °	% 10.20 %	7.51 %	0.06	0.87	0.93	Banks	11.6 %
Industrials	26.27	7.62	12.25	6.84	0.20	0.20	0.40	Insurance	10.2
Energy	2.68	2.05	4.87	-3.26	0.20	0.15	0.35	Construction & Engineering	6.3
Consumer Discretionary	9.66	9.58	10.86	7.15	-0.02	0.23	0.21	Communications Equip.	6.2
Financials	31.86	6.15	41.14	5.64	-0.02	0.16	0.14	Machinery	5. <i>7</i>
Telecommunication Services	0.00	0.00	0.78	0.52	0.04	0.00	0.04	Specialty Retail	5.4
Consumer Staples	0.00	0.00	2.96	4.21	0.04	0.00	0.04	Real Estate Inv. Trusts	5.2
Utilities	5.86	-3.08	7.53	-0.64	0.10	-0.14	-0.04	Health Care Prov. & Srvcs	5.0
Health Care	7.39	5.36	4.72	7.21	0.06	-0.15	-0.09	Trading Cos & Distributors	4.6
Materials	3.57	-0.05	4.69	10.31	-0.04	-0.38	-0.42	Electric Utilities	4.1
					0.61	0.94	1.55		

Returns are calculated using daily holding information, gross of fees. Performance attribution returns can differ from actual client portfolio returns due to data differences, cash flows, trading, and other activity.



The Global Industry Classification Standard ("GICS") was developed by and is the exclusive property and a service mark of MSCI Inc. ("MSCI") and Standard & Poor's Financial Services, LLC ("S&P") and is licensed for use by Hotchkis & Wiley ("H&W"). All rights reserved. Neither S&P nor MSCI is liable for any errors or delays in this report, or for any actions taken in reliance on any information contained herein. Russell Investment Group is the source and owner of the Russell Index data contained herein (and all trademarks related thereto), which may not be redistributed. The information herein is not approved by Russell. H&W and Russell sectors are based on GICS by MSCI and S&P.

performance review

july 2016

PERFORMANCE (%)

MARKET VALUE

\$39,151,140

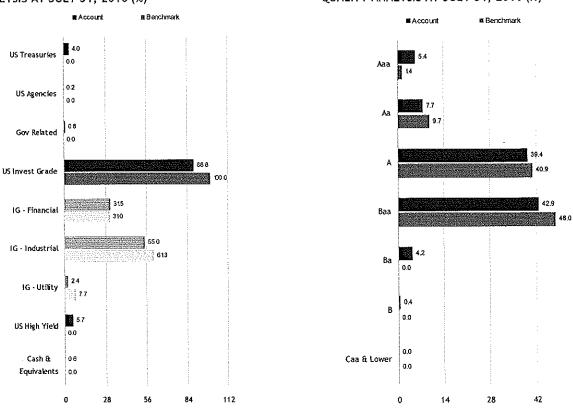
	ACCOUNT(GROSS)	BENCHMARK
Jul 16	1.68	1.46
YTD	10.13	9.26
1 Year Trailing	9.23	8.78
3 Year Trailing	6.42	5.64
5 Year Trailing	6.09	5.18
1/31/97 - 7/31/16	6.97	6.31
Annualized	Q.71	0.31

CHARACTERISTICS

Effective Duration	7.67 years	7.52 years
Average Maturity	10.95 years	10.80 years
Yield	2.93%	2.74%
Average Quality	Baa1	Baa1

SECTOR ANALYSIS AT JULY 31, 2016 (%)

QUALITY ANALYSIS AT JULY 31, 2016 (%)



The current benchmark is Barclays U.S. Corporate Investment Grade. (1) Citigroup Broad Inv-Grade (BIG) from 1/31/1997 to 6/30/1999; Barclays Credit from 6/30/1999 to 2/29/2012; and Barclays U.S. Corporate Investment Grade from 2/29/2012 to 7/31/2016. For split rated securities in the quality distribution, the higher of Moody and S&P is used. The account's split rating treatment is based on client guidelines. The benchmark follows the vendor's methodology. Equity securities are deemed to have a duration and maturity value of zero. Yield is Yield to Effective Maturity Data Source: Barclays Capital, Bloomberg This report is a service provided to customers of Loomis Sayks for informational purposes and is not a recommendation to purchase or sell securities. Unless otherwise noted, the performance shown is gross of management fees. Past performance is not a guarantee of future results.

Loomis Sayles believes the information contained in this report is reliable but we do not guarantee its accuracy. Additional information on portfolio boldings, portfolio attribution and portfolio transactions are available to all investors upon request.

LOOMISSAYLES

Bay County Employees Ret System

performance review

july 2016

CURRENT MONTH TOTAL RETURNS (%)

Account Return 1.68
Benchmark Return 1.46

Excess Return 0.

0.21

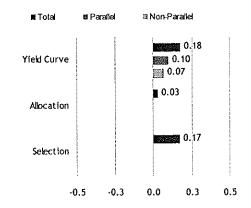
CURRENT MONTH EXCESS RETURN ATTRIBUTION (%)

⊞ Total	⊠ Par	allel	≅ Non-Pa	rallel	
Yield Curve			¶ 0.02 0.00 ₪ 0.02		
Allocation			0.00		
Selection				0.19	
	0.5	-0.3	0.0	0.3	0.5

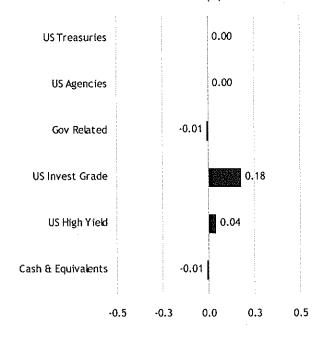
TRAILING YEAR TOTAL RETURNS (%)

Account Return 9.23
Benchmark Return 8.78
Excess Return 0.45

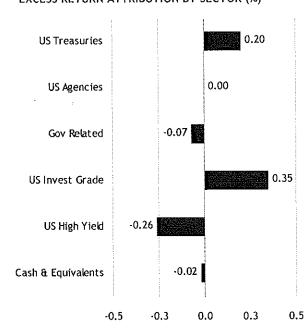
TRAILING YEAR EXCESS RETURN ATTRIBUTION (%)



EXCESS RETURN ATTRIBUTION BY SECTOR (%)



EXCESS RETURN ATTRIBUTION BY SECTOR (%)

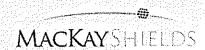


The Attribution benchmark is Barckeys U.S. Corporate Investment Grade. Figures on bar charts may not add up to total excess return as they exclude impact of trading and pricing differences. Attribution account returns are gross of fees. Excess Return by sector excludes yield curve impact. Data Source: Barckeys Capital



9/4

BAY COUNTY EMPLOYEES RETIREMENT SYSTEM



Portfolio Composition and Performance — Account 1256 July 31, 2016

Composition	Market Value	Percent of Total
Fixed Income	8,781,249	75.94
Equity Cash & Equivalents	2,257,958 524,517	19.53 4.54
Total Portfolio	\$11,563,724	100.00%

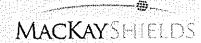
Performance	Latest Month	Latest 3 Months	Year To Date	Latest 12 Months	3 Years Annualized	5 Years Annualized	Since 10/1/2003	Annualized Since 10/1/2003
Total Fund (Gross of fees)	4.44%	6.09%	8.49%	5.37%	8.00%	7.93%	128.17%	6.63%
CUSTOM BENCHMARK I CUSTOM BENCHMARK II	4.55% 4.55%	6.79% 6.79%	6.65% 6.65%	1.08% 0.47%	8.11% 7.30%	8.98% N/A	92.36% N/A	5.23% N/A

Expressed in USD

Note: Custom Benchmarks consist of BofAML All Convt (Inc Mand) since 8/31/15. Previously, (I) was BofAML Convt Inv Grade Bds (Inc Mand) Index and (II) was BofAML Convt Inv Grade Bds (Inc Mand) 5% Cap Index.

Past performance is not indicative of future results.

BAY COUNTY EMPLOYEES RETIREMENT SYSTEM



Summary Report — Account 1256
July 31, 2016

	Total Cost	Percent at Cost	Yleld at Cost	Market Value	Percent of Assets	Yleid at Market	Annual Income
Bonds The British Committee of the Commi	7,917,869	80.43	1.56				
Stocks Cash & Equivalents	1,926,432	19.57	0.57	2,244,001	19.41	0.49	10,900
Cash & Equivalents	0	0.00		524,517	4.54	0.00	0
Accrued Income				47,449	0.41		
Total Portfolio	\$9,844,300	100.00%	1.36	\$11,563,724	100.00%	1.17	\$134,219

Bay County Employees' Retirement System



MFS $^{\rm B}$ Heritage Trust Company CIT - MFS International Growth Fund (Class 1 Shares)

Performance results (%) class 1 shares net of expenses (USD)	Portfolio	Benchmark [*]	Excess returns
July 2016	4.35	4.81	-0.46
2016 YTD	7.13	4.94	2.19
1 year	0.20	-1.94	2.14
Since client inception (06-Aug-14)	1.76	-0.38	2.14

Source for benchmark performance: SPAR, FactSet Research Systems Inc.

All periods greater than one year are annualized.

Past performance is no guarantee of future results.

For periods prior to the inception date of a unit class, performance information shown for such class is based on the performance of an older class of units that dates back to the Fund's inception, as adjusted to reflect differences in fees paid and expenses incurred by the newer class.

Net of expenses performance does not include management fees.

^ MSCI All Country World (ex-US) Growth Index (net div)

Performance results reflect any applicable expense subsidies and waivers in effect during the periods shown. Without such subsidies and waivers the fund's performance results would be less favorable. All results are historical and assume the reinvestment of dividends and capital gains.

Asset summary (USD)		
Beginning value as of 30-Jun-16		25,035,919
Contributions		0
Withdrawals		0
Change in market value		+1,090,066
Ending value as of 31-Jul-16		26,125,986
Characteristics	Portfolio	Benchmark^^
IBES long-term EPS growth - weighted median 1	8.7%	9.3%
Price/earnings (12 months forward ex-negative earnings) - weighted median	19.5x	19.4x
Return on invested capital - weighted median	12.7%	11.7%
Market capitalization (USD) 2	38.7 bn	27.4 bn
Number of holdings	84	1,057
Trailing 1 year turnover 3	23%	
Barra predicted tracking error 4	3.13%	_
0Th		

- ¹ Source: Thomson Reuters
- ² Weighted median.
- 3 (Lesser of Purchase or Sales)/Average Month End Market Value
- 4 Source: Barra

No forecasts can be guaranteed.

Portfolio characteristics are based on equivalent exposure, which measures how a portfolio's value would change due to price changes in an asset held either directly or, in the case of a derivative contract, indirectly. The market value of the holding may differ.

Top 10 issuers	Sector		
NESTLE SA	Consumer Sta	ples	
ROCHE HOLDINGS AG	Health Care		
DANONE SA	Consumer Sta	aples	
TAIWAN SEMICONDUCTOR MANUFACTURING COMPANY LIMITED	Technology		
NOVARTIS AG	Health Care	-	
AIA GROUP LTD	Financial Services		
ACCENTURE PLC	Special Produ	ıcts & Services	
LVMH MOET HENNESSY	Retailing		
PERNOD-RICARD	Consumer St	aples	
CANADIAN NATIONAL RAILWAY CO	Transportatio	Π	
Sectors (%)	Portfollo	Benchmark^^	

Sectors (%)	Portfollo	Benchmark^^
Consumer Staples	19.3	16.7
Health Care	15.6	12.8
Technology	12.9	13.1
Financial Services	11.6	11.4
Industrial Goods & Services	8.6	5.3
Special Products & Services	8.4	4.8
Basic Materials	6.9	6.1
Retailing	5.8	7.6
Lelsure	4.2	4.6
Transportation	2.6	4.4
Autos & Housing	1.3	4.4
Energy	1.0	1.3
Utilities & Communications	0.7	7.4

Regions (%)	Portfolio	Benchmark^^
Europe ex-U.K.	48.0	34.0
United Kingdom	15.8	11.1
Emerging Markets	12.2	22.3
Japan	8.6	16.7
North America	7.6	6.6
Asia/Pacific ex-Japan	5.2	8.7
Developed - Middle East/Africa	1.6	0.6

^{1.1%} Cash & cash equivalents

FOR EXISTING INSTITUTIONAL CLIENT USE ONLY. MFS Heritage Trust Company

^^ MSCI All Country World (ex-US) Growth Index

FOR MORE INFORMATION CONTACT

Kimberly Hyland, Director, Relationship Management Phone: +1 617 954 5575 | Cell: +1 781 929 6122 Email: khyland@mfs.com Thomas Shanley, Client Service Manager Phone: +1 617 954 7492 | Cell: +1 857 208 5297 Email: tshanley@mfs.com

48



MFS HERITAGE TRUST COMPANY

Account Statement 07/01/2016 - 07/31/2016 Page 1 of 2

Registration:

BAY COUNTY EMPLOYEES' RETIREMENT SYSTEM

(BCERS)

Account Number:

193

PETER BROWN

C/O THE BOGDAHN GROUP 5000 ROCKSIDE RD, STE 320 INDEPENDENCE, OH 44131

Account Summary - Period

Fund Name	07/31/2016 NAV	Beginning Market Value	Period Purchases	Period Redemptions	Ending Units	Ending Market Value
MFS INTERNATIONAL GROWTH FUND CL 1	\$132.06	\$25,035,919.28	\$0.00	(\$0.00)	197,834.210	\$26,125,985.77
Account Total		\$25,035,919.28				\$26,125,985.77

Account Summary - YTD

	YTD	YTD	Account
Fund Name	Purchases	Redemptions	Inception
MFS INTERNATIONAL GROWTH FUND CL 1	\$0.00	(\$0.00)	08/06/14



MFS HERITAGE TRUST COMPANY

Account Statement 07/01/2016 - 07/31/2016 Page 2 of 2

Transaction History

Gross Net Transaction Total
Trade Date Transaction Type Amount Amount NAV Units Units

MFS INTERNATIONAL GROWTH FUND CL. 1

- There are no transactions for this section -

Message

Please contact your MFS relationship team for any questions regarding your account statement or transaction confirm.

ME Full Holdings Roport HTG - MFS Haritaga Trust Company Collective

Currency:

USD



130042	094008	DAYVES	317430	05675210	505007	550507	613074	D1W4V6	017520	втухол	MAHCBB	DAYCOS		POORT	316363	B1 FJOC	418021	647453	01J04K	BIKUM	нсьхо	M3631	721247		054052		B12907	001709	574DS1	023740	453410	05365610	OLMODBIC	105700	0503021	1	A STANDARD	DRJL17	D24CGK	DENNIC	BCB/CB	3037510	480232	400141	Q1101C10	DATX85	710300		67403910	ATEX TO	712367	CUEIP/SEDOL
FR;PUS	OB,WEIR	DE;BNR	GB,BROY	BIDU	DE LIME B	FR;KER	JP-400	TOPRY	00,080	FR;Al	CD, RR	CUSPPE		YRLDOY	CD;ITRK	AU:BXB	DK;CARCS	1P:2014	DE,9Y1	OD:WTD	DK;NOVOB	N N	FR;EI		GD.HSDA		DESME	ED4041	DCLIN	GB:DGE	FRIGU	NICE	BABA	PA OA	N'HDECE	1	S.	CH:UBGG	GB,RO	043,690	eVe-lie	<u>Q</u>	E	PRIMO	AC _N	HX(1299	CH!NOV.N		MCT	PR NO	CHINES N	Tloker
Publicle Groupe SA	Well Group PLC	Brenntag AC	Burbarry Group PLC	Baldu Inc ADR	Telefonaldiabolaget.	Kerding	Oblo Co Ltd	Program OpA	DEG Group Holdings	Air Liquide BA	Rola-Royce Holdings PLC	PLC		Deceault Systemes	Interfek Group PLC	Drambles Ltd	B. Carleberg AD	Japan Tobacco ind	Dymrise AO	Whithead PLC:		Akus Ngbel NV	Essior international		BA HSBC Haldings PLC	T Holding	Franchius Medical	Cunarua Cortia	Linde AG	Dageo PLC	Dishneider Electric	Now Ltd ADR	Albaba Greup		HDPC Bank Ltd	International inc	Marriar, Tolada	Oroup PLC	PLC Rechtt Bengklaur	Compana Group	Railway Co	Cartedian National	Pernod Ricard SA	LVMH Moet Hennessy Lours	Ascentive PLC		Nevarus AO	Demiconductor Menulecturing Co	Talwan	December BA	Needs UA	-1-
/4.46	19.30	49.65	17.47	189.60	7,40	189.95	02.30	23.36	11.55	108.65	10,47	10.40		B2.59	47.98	10.24	80.27	20.02	70.40	61.07	56.98	£	125.07	1		3	01.41	43.86	143.00	26.60	6F/90	86.65	22.48 -	50.74	10.62		411.71	13.77	28,90	10.00	67.00	65.21	114.20	171.50	112.81	5.21	E2.05		27.78	77.01	100.17	Price
476,011	430,522	177,300	DGD, 140	50,207	1,216,101	49,625	100,300	414,455	667,700	90,733	070,000	478,00	10.870	126,074	219,617	1,051,613	105,145	267,700	101,007	223,900	204,503	180.254	04,437		1,008,711	277	101,079	327.000	100,134	547,507	242,100	232,926	200,220	03,820	975,300		45.481	1,402,634	214,784	1,123,960	240,075	362,533	206,130	140,868	218,300	4,211,400	328,820		1,049,920	413.220	473,537	Share's Held
0,270,350,00	0.027.007.04	8,807,262.31	8,024,503,44	8,080,213.20	9,082,497,20	9,464,109.07	0,045,0a7,d0	9,060,005.00	10,354,940.08	10,316,189.45	10,438,775.47	no, may to a saw	00 ten 201 Us	10,485,358.57	10,536,139.30	10,560,966,94	10,736,586.14	11,230,955.42	11,410,096.12	11,435,414.03	17,657,116.32	11,000,977.41	12,094,253.84	12 15 76 76	12,506,039.77	10, 375, 201	13,800,780.89	14.059.000.74	14,406,326.50	15,061,139.76	10,840,702.30	15,990,369.90	16,927,205.44	17,859,364.95	16,163,032.38		18 702 242.01	20,564,041.37	20,610,010,09	21,360,493.80	21,004,007.30	22,916,710.93	23,552,351,35	24,150,031,04	24,637,601,19	26,172,185.50	27,244,086.57		20,166,777.60	31,821,841,60	10.000,600,70	Market Value (mm)
0,210,000,00	8,527,507,54	5,507,262.31	B,0024,540 44	92612,096,8	9,002,467,20	0,484,160.07	6,540,007.80	8,590,500.00	10,284,040.08	10,310,189.45	10.438,770.47	TO TOTAL STATE OF THE STATE OF	10 457 504 01	10,400,350.57	10,536,139.30	10,500,000,04	10,730,668.14	11,230,880,42	11,410,860.12	11,430,414.03	11,657,110.32	11,000,077.41	12,004,253,64	12 494 760 13	12,506,639.77	10. 10. 10. 10. 10. 10. 10. 10. 10. 10.	13,600,760.60	14.000,000,000	14,400,220.00	15,861,139.76	16,043,732.30	15,900,300.90	10,927,200,44	17,650,304,95	18,163,032.38		10,702,242,01	20,564,041,37	20,610,018.09	21,300,493.60	21,834,507.30	22,915,710.93	23,662,531.36	24,169,031.04	24,037,001.10	20,172,185.69	27,244,080,57		26,166,777.60	31,621,541.69	NO POST OUT BY	formation and other managements
•		:				·	1								-	:								:				:		-			1																	:		TEX TOWARDS
,,01	0,84	8	3.67	8	0.80	0.93	0.80	0.05	5	101	1,02	1.00	8	1.03	1.03	1.04	1.05	1.70	1.12	112	1		1.10	8	1,23	8	136	1.36	1 1	· ·	1.00	1.67	1.98	1.76	1.78	3	2	2.02	2,04	2.10	2 1	2.26	2.01	2.37	â	2.07	2.07		2.86	3.12	3 2	3.73 Equivalent asposition 5.73
0.01	0.04	0.86	0.87	0.80	0.00	0.03	0.98	0.95	1.01	1.01	:3		ė	ē	1.03	10	1.08	1.10	1.12	.i.	1.14	1.16	i 6	3	120	126	1.36	<u> </u>	:	ž	56	1.57	1.00	1.76	1.70	3	8	2.02	2	2.10	#2 E	2.26	2.31	2.37	12.	2.57	2.67		2.86	3 3 1	ž i	3.73
entrantic or Communication	a,19539 Indiana Coode & Cervises 19.509.76 Laisura	7,570.99 Special Products & Services	7,774.01 Retailing	55,317.36 Twehnology	24,319,13 Technology	23,986.53 Relaiting	5,812.71 Technology	5,065.80 Industrial Goods & Services	29,244.43 Financial Services	36,863.61 Dask Materials	19,245.85 Industrial Goods & Services		9.756.87 Leisure	21,244.00 Technology	7,742.55 Special Products & Services	15,236.61 Basio Malanala	15,143.91 Consumer Staples	70,074.00 Consumer Staples	9,140.02 Busic Materials	9,300:10 Lelaure	145,016.80 Health Care	16,304,13 Spanio Materials	27,930.94 Health Care	ZB GSB 80 Lalaura	130,549.47 Financial Services	20.402.49 Apapial Products & Services	28,000.27 Health Cere	16.328.46 Health Care	26,724.52 Searc Materials	71,008.41 Consumer Staples	35,713,79 Industrial Goods & Services	4,128.60 Technology	205,810,45 Technology	106,587.87 Consumer Staples	47,212.30 Pinanolal Sarvices.	AN OSA DO Health Care	11,000.57 (nduktria) Goods & Sarviger	63,634,30 Financial Services	65,614,41 Consumer Steples	31,242.98 Special Products & Gervian	107,693.64 Technology	45,963.98 Transportation	30,326.97 Consumer Steples	or,uop.as Xetaling	70,220.41 Special Products & Darwises	74,882.70 Financial Dandoos	217,001.21 Hesith Care		144,009.19 Technology	50,500.80 Consumer Staples	217 623 85 Health Care	249,300,39 Consumer Staples
Consulter Chancele	Consumer Cyclicals	Technology	Consumer Oyoliqaia	Testinology	Tentrology	Consumer Cyclicals	Taghnology	Capital Goods	Pinangial Gervices	Capital Goods	Capital Goods		Consumer Cyclicals	Testinology	Technology	Capital Goods	Consumer Staples	Consumer Steples	Capital Goods	Consumer Cyclicals	Hoelth Cara	Capital Goods	Health Cure	Consumer Cyclicals	Financial Services	. Technology	Health Care	Health Care	Capital Goods Consumer Cyclicals	Consumer Staplas	Capital Goods	Technology	"echnology"	Consumer Steples	Figunoial Services	Handly Card	Capital Goods	Pinandal Services	Consumer Staples	Tachnology	Teahnology	Capital Goods	Consumer Steples	Codistinat Cyclicate	Technology	Financial Services	Health Care		Tachnology	Consumer Steples	Hualih Cara	Consumer Staples
	Consumer Disorationary	Industrials	Consumer Discretorary	Information Technology	Information Technology	Consumor Discretionary	information Technology	Industrials	Financials		Industrials		Consumer Disorationary	Internation Technology	Industrials	Industrials	Consumer Otapies	Consumer Staples	Materials	Consumer Disgrationary	Health Care	Materials	Health Care	Consumer Operationary	Financials	Information Technology	Health Care	Health Care	Consumer Sleples	Consumer Staples	Industrials	Information Technology	Information Technology	Consumer Stagles	Financials	Health Care	Health Card	Financials	Consumer Staples	Consumer Discretionary	Interpation Technology	Industrials	Consumer Staples	Consumer Characteristy	Internation Technology	Financials	Health Care		Information Technology	Consumer Stuples	Health Care	Consumer Ctaples
	Broadoasting	Business Bervices	Apparel Manufacturers	Internet	Network & Tolegom	Apparel Manufacturers	Computer Software	Electrical Equipment	Other Barks and Diversified	Opesially Chemicals	Auroapude & Defense		Gerning & Lodging	Computer Sultwere	Business Gervices	Containers	Alcoholic Beverage	Tobacop	Opecialty Chamicals	Restaurants	Pharmaceuticuis	Specialty Chemicals	Medical Equipment	Droadcasting	Major Danks	Business Berriges	Medical Depicae	Medical Equipment	Food & Drug Stores	Alacholic Beverage	Electrical Equipment	Computer Bystems	Internet	Pinandials Consumer Products	Other Benks and Diversified	Pharmacoulkala	Financials Cleatrical Equipment	Other Banks and Oversified	Consumer Products	Business Cervices	Computer Software	Railroad & Shipping	Algoholig Geverage	Opporer manual equipment	Dusinus Gervious	Insurance	Pharmaceuticals		Electronics	Food & Eleverage	Phermaceuticals	Food & Deverage
	France	Germany	Monthly benun	China	Dwaden	Franco	Lapan	luly	Qingapare .		Unded Kingdom		reland	France	United Kingdom	Australia	Danmark	Japan	Germany	United Kingdom	Denmark	Netherlands	France	United Kingdom	United Kingdom	Opun .	Germany	Japan	Lapan Viv	United Kingdom	Fraise	E E E	China		7	Centany	United States	Destantand	United Kingdom	United Kingdom	Cormany	Canada	Finite		United States	Hong Kang	Divitionand		Talesan	Phone .	Owitzerland	Switzwriand .
	FR0000130577				5£000010860	FR0000121466	JP3173400007	170004176001	501,01001701	FR0000120073			IEDOBWY6H804	FR0Q00130850	G80001036363	AUDDDDDDDDDXB1	DK0010181759	JP3728500000	DEGOOSYMDSGO	GBDQB1KJJ408	DK0000034613	NL0000000132		JEGODSK/PDD49		£901090057019	020000785802	JP3048800000	JP333660000		PR0000121972		U001000W1027	FR0000120121			- 100190929001054	CH0244707585	G000024C0K77	GBOOBLNN3L44	00007164600	CA1363751027	PR0000120893	710000141019	EBOOD TION	нкооооооов	CH0012000287		U88746301003	FR0000120044	CH0012032048	OSCEDBREDOHO
	4360420	DAYVPBO		056752100	D909378	5505072	8130749	BIWWID	8176203	B1YX0J7	CHRINCING	:		6330047	3163636	BIFJOCO	4169219	6474035		B1KJJ40	ВНСвХ90	5450314		Michael		Вэмэм28	5129074	6805074	0017895	0237400	4034103	801850549	2014460010	4067808	4		562688105	BRUL176	1 B24CGK7	PTCNNT	+644288	136375102	4862320	1001716	OTHER	BATXESI	7100055		874000100	BIYOTOO	7110388	712,070

Page 1 of 2

1
MFS

Hew o	DOMEY	262230		618027	090000	045700	EZFINAG.	677608		004000	B20147	013023	058030	637248	OXCOOG		DACCING	паскую	691140	B11ZRX	673252	01761670	849000	242104	715603	DSNB19	JAR285	DIONEY	BOJCOP	677062	EXMXX	458710	Q2519Y10	Outcor
e e	HK;1583	NXGHINB		6G;0FI	7508 dr	H0O:UA	CA;EFN	JF,85/0		JP 4610	HK;0151	HX;1044	KR035420	TW/2464	BE;ATCOA		HK,2230	GHB:BO	C118'ef	FK;U	AIO;30	A00 V	1885;4f	MX;GFNON	NOOCHD	CA;SU	CH;DACR	OD,EXPN	NITC.	JP;0664	QD;CRDA	DE;G1A	\$	an;an
:	3 Oingin Feedstuffs Group Cayman Co	N3 Grupo Pinanciero Inbursa BAB de CV		Dairy Farm	Yamatu Holdings Co		N Element Financial Corp	Service Co Etc	_		1 Ward Wart China	Group Co Ltd :::			COA Atlas Copos AB	Ce Ud		P Ohine PLC	3 Unlahams Corp				1 Keyense Corp	NOR Grupo Financiaro Banorte BAB de CV	ON Seneva Holding AG	Suncot Energy Inc	(IR - Julius Beer Oroup	PN Experien PLC		4 Donthank Group Com	DA Croda International : PLC	A GEA Group AG	;	PLC
1,00	0.37	9		d.70	24.73	0.46	10.74	22.00		27.56	0.61	à	633.84	7.63	25.00		1.20	04.47	20.55	55.17	26.25	5.78	705.62	5.45	137.02	20.01	2	19.50	W.C	85.21	14.00	83.37	100.33	ě
10,862,7	99,100	000,000		261,800	120,700	657,420	343,860	Marie / L		140.000	6,716,000	907,000	7,284	516,000	177,475		3,912,000	80,070	251,400	90,175	211,707	1,037,168	9,100	1,174,863	45,641	263,681	175,640	370,700	1,901,788	137,500	174,550	144,100	į.	-100,000
Si .	8	\$		8	9	20	8			8	8	Š	Ť	8	75		8	170	8	3	707	E	8	163	301	ž	Š	76	788	X	¥	8	40,740	Š
10,862,730,71	36,650.23	W.5,4W.50		2,424,063.20	3,152,167,63	3,590,127.87	3,692,505,06	4,020,000,00		4,041,010,42	4,128,075.91	4,272,545.11	4,597,902.07	4,710,006.60	4,983,901.19		0.037,023,31	5,162,312.71	p.166,008.15	5,416,636,73	5,557,573.05	5,995,004,44	6,421,147.00	0,434,434,91	0,670,251,47	7,102,039.88	7,120,007.97	7,247,866.66	7,355,064.85	7,501,201.76	7,051,374,00	7,600,269.89	7,015,446,10	0,000,000,000
1										4																			:					
10,852,730,71	36,650.23	6/0,4W0.00		2,424,983,20	3,182,187.93	3,560,127.87	3,662,565,08	4,020,000,00		4,041,016,42	4,126,076,91	4,274,540.11	4,507,002.07	4,713,838,66	4,063,001.19	:	5,037,023,31	5,162,312.71	5,186,008.15	5,410,638.73	\$257,973.05	5,995,004.44	6,421,147,60	6,434,434.91	6,670,261,47	7,102,030.88	7,126,907,97	7,247,865.58	7,360,684 65	7,501,201.76	7,001,374,00	7,090,289.89	7,515,440.15	
- 2					1																:								:					
1.07	0.00	ě		0.24	0.31	0.35	2.36	Ę	3	6	0.41	2	6	0.46	0.46		0.40	0.51	10,0	0.53	0.55	0.50	0.03	8	8	0.70	0.70	0.71	2.0	0.75	0.76	0.75	0.77	
3					1		100																:											
1.07	0.00	e G		Ç	0.1	0.35	0,5	2.00		0.45	0.41	5,42	0.4	0.48	9.40		0.48	9.51	0.51	0.53	98	0.50	0.63	8	0.85	0.70	0.70	27	0.72	0.75	0.78	0.75	0.77	
			i i																													:		
0.00 Cash & Cash Equivalents	175.96 Consumer Steples	TOUR PROPERTY OF THE PROPERTY		0,060.26 Retailing	10,170.03 Transportation	6,315.27 Energy	4,146.05 Financial Services	at some himming convers	200	0.684.05 Basic Malanels	7,901.37 Consumer Displos	10.20039 Consumer Outplate	20,893,20 Technology	11,087.57 Tuchnology	34,154.56 Industrial Goods & Services		8,285,73 Autos & Housing	57,945.54 Health Care	12,757,53 Consumer Steples	14,734.93 Industrial Goods & Bervices	6,115.26 Health Care	90,847.85 Consumer Otypies	42,903.07 Industrial Cloods & Sarvices	15,191.10 Financial Cardoni	0,120.15 Health Care	44,793.07 Energy	0,186.08 Financial Services	18,762.32 Special Products & Services	45,527,00 Consumer Staples	86,286.90 Utilities & Communications	5,775.52 Basic Materials	10,273.04 Industrial Goods & Services	12,743,35 Financial Detricus	
- 3	Cotsumer Staples	Tining in Carry Carry		Consumer Cyclicals	Capital Coods	Emergy	Financial Services	Citation of Chicago		Capital Goods	Consumer Gtaples	Consumer Suspice	Technology	Technology	s Capital Goods		Capital Goods	Health Care	Consumer Staples	Bapital Goods	Hissilin Care	Consumer Staples	ns Capital Greds	Financial Dervices	Health Care	Energy	Financial Carvices			s Telecom / CATV			Financial Bendess	
Gesh & Gesh Equivelents 11.11 Cash & Gesh Equivelents 21.11 Gesh & Gesh Equivelents 11.11 Cash & Gesh 14 Gesh 11.11 Cash & Gesh 14 Gesh 11.11 Cash	Consumer Staples	7 3 8 70 5 8		Consumur Staples	Industrials	Energy				Medianta	Consumer Staples	Consumer Guipes	Injormation Technology	Information Technology	laditate mar		Consumer Disgretionary	Health Care	Consumer Staples	Industrials	Health Cara	Consumer Staples	Information Technology	Financials	Heelin Care	Energy	Financiuts	Industrials	Consumer Staples	Telecommunication Services		Industriale	Financials	
Cash & Cash Egulyajunts	Food & Develops	Printing and Cymentials Company and Cymentials Company	9	Food & Drug Glorae	Industrials Truckers Japan	Energy - Independent	Pinanciats Other Brake and Diversified	Financials		Opedaily Chemicals	Food & Deverage	Consumer recounts	Internal	Electronica	Machinary & Tools		Automotive		Consumer Products	Clocinical Equipment	Medical Equipment	Alcahoka Deverage	Section Equipment	Other Banks and Diversified Financials	Medical Equipment	Energy - Integraled	Financials Financials	Business Dervices		Wireless Comm			Other Banks and Diversified Peru bMG2510Y1094 Financials	
Cash & Cash Equivalents	China	Signatur		Hong Kong	Japan	Australia	Ganada		-	200000404CST medail	China	S	Doubt Korna	Takean	Ewaden		Chine	United Kingdom	Japan	France	Curmany	Brazel	Jacon	Mexico	Dwitzwiand	Carreda			Indu	Japan	United Kingdom	Germany	796	
	KYG730811081	Bock-properties		DMC2624N183B	JP3940000007 spasses	PG0000579083	CA2061012014	ATO LA PROCESSION	and at Appendi	JP2748400000	KYGDADTRIDOD	V.C. despection of Section	KR7035420000	TW0002454000	DEDOG6006750		CNEJ00000G3B	JE0002QKY057	JP3951600000	FR0010307619	NL0000240000	U002319V1035	JP32362D0006	MXP370711014	CH0012040780	CA8672241079	Owiteerland CH0102484668	United Kingdom GEOODTSNEV48	NETSMACTES	JP3436100006	United Kingdom OD000Y2WX789	DED008622008	BMG25(BY1084	•
	BD44FV4	nacy year	- Habrian	6180274	6045568	8657804	B7FNMC2	9		ri.	8201423	erae i a	6860303	6372450	DXC6897		Визораз	BZQKYGB	0911480	DITZEKO	5732625	02319V103	CHROCIPS	2421041	7190000	DONO1P2	B4R2R50		BOLOGIFIS	6770620		4357104	Q2519Y108	

Run Dake



Valuation Summary		3	31-Jul-16	Portfolio Currency: USD	•	
		Cost	Market Value	Accrued Income	Total Value	Total Value
CASH		735,912.65	735,912.65	0.00	735,912.65	2.18 %
COMMON STOCK		23,443,038.12	32,624,503.05	10,011.69	32,634,514.74	96.89 %
ADR		295,499.20	311,664.54	0.00	311,664.54	.93 %
		24,474,449.97	33,672,080.24	10,011.69	33,682,091.93	100.00 %
· ·	Accrued Income:	••	10,011.69			
	Total Value:	,	33,682,091.93			

This report contains trade date position values, calculated by MFS. This is not the official book of record for the account. Cash is a net cash balance comprised of cash on deposit, and payables and receivables that have not settled.

53

Run Date: 8/3/2016 6:39:42 PM

PRISA Composite Diversification

Geographic & Property Type

Geographic Diversification by Strategic Markets

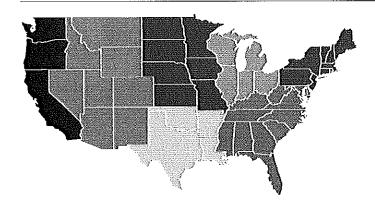
PRISA is focused on investing in strategic markets where supply constraints and economic drivers of demand are likely to result in strong longterm operating fundamentals and superior risk adjusted returns. PRISA's strategic markets are the gateway markets of New York, Southern California, Washington D.C., San Francisco, Boston, Chicago and South Florida. PRISA's strategic market exposure at 80% of the portfolio is significantly higher than that of NFI-ODCE (69%).¹

PROPERTY TYPE DIVERSIFICATION²



		PRISA	ØDCE	Relative Exposure
Office	17.2M sf	38.8%	37.7%	110 bps
Apartment	13,404 units	20.9%	24.1%	-320 bps
Retail	13.9M sf	17.8%	20.0%	-220 bps
Industrial	24.2M sf	13.3%	14.2%	-90 bps
Storage	75,929 units	6.5%	2.1%	440 bps
Other ⁵	N/A	2.2%	N/A	N/A
Hotel	437 keys	0.5%	0.8%	-30 bps
	Apartment Retail Industrial Storage Other ⁵	Apartment 13,404 units Retail 13.9M sf Industrial 24.2M sf Storage 75,929 units Other ⁵ N/A	Office 17.2M sf 38.8% Apartment 13,404 units 20.9% Retail 13.9M sf 17.8% Industrial 24.2M sf 13.3% Storage 75,929 units 6.5% Other5 N/A 2.2%	Office 17.2M sf 38.8% 37.7% Apartment 13,404 units 20.9% 24.1% Retail 13.9M sf 17.8% 20.0% Industrial 24.2M sf 13.3% 14.2% Storage 75,929 units 6.5% 2.1% Other5 N/A 2.2% N/A

GEOGRAPHIC DIVERSIFICATION^{2,3}



				Relative
		PRISA	0000	Exposure
	Pacific	33.6%	35.5%	-190 bps
2	Northeast	22.1%	20.4%	170 bps
Ø	Mideast	15.0%	10.1%	490 bps
Ş	Southeast	12.7%	9.6%	310 bps
a	E.N. Central	8.0%	8.1%	-10 bps
6	Southwest	6.3%	10.0%	-370 bps
	W.N. Central	1.2%	1.4%	-20 bps
	Mountain	1.1%	4.9%	-380 bps

PROPERTY LIFECYCLE^{2,4}



- 94.4% Operating
- 2.0% Leasing
- 1.9% Development
- 1.4% Pre-Development
- 0.3% Debt Investments

INVESTMENT STRUCTURE²



- 58.5% Wholly Owned
- 41.2% Joint Venture
- 0.3% Debt Investments
- ¹ NFI-ODCE does not publish detailed property information. Market information is calculated by extracting NFI-ODCE proeprty data from the NCREIF Research Database. Final NFI-ODCE data is based on the final report published by NCREIF on July 25, 2016.
- ² Based on PRISA's share of gross market value in properties and debt investments.
- 3 NCREIF Region
- 4 Includes unspent construction dollars on development investments.
- ⁵ Includes Harbor Garage, land and Atrium Note Receivable.

PRISA Composite Portfolio Overview¹

PRISA Composite Snapshot	20115
Gross Asset Value	\$22.9B
Net Asset Value	\$18.0B
Cash Balance	\$828.3M
Leverage Ratio ²	19.8%
Number of Investments	273
Number of Clients	307

Portfolio Results	2016	YTID	2016 Taiget
Income Return	1.15%	2.29%	4.50%-5.00%
Appreciation Return	0.77%	1.86%	4.00%-6.00%
Total Return	1.92%	4.16%	8.50%-11.00%
Cash Flow Return	0.96%	1.90%	3.60%-3.80%

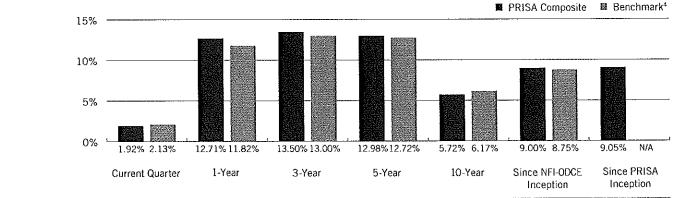
Transaction Activity	2016	YIID
Acquisitions (Gross)	\$184.7M	\$367.2M
Dispositions (Gross)	\$67.2M	\$188.7M
Micht Activity	2016	YTTE
Deposits	\$807.4M	\$1,007.4M
Cash Flow Reinvested	\$67.7M	\$151.3M
Withdrawals	\$464.7M	\$695.3M
Cash Flow Distributions	\$75.3M	\$158.6M
Entry Queue		\$592.5M

PRISA Composite Benchmark Comparison

PERFORMANCE VS. BENCHMARK FOR THE PERIODS ENDING JUNE 30, 2016

Performance Highlights

While PRISA's total return was 21 bps below NFI-ODCE for the quarter, the Fund outperformed in the trailing one, three and five-year and since NFI-ODCE inception time periods. PRISA's income return exceeds the benchmark in all time periods.³



PRISA Composite/Histori	cal Performance						
Income	1.15%	4.76%	5.01%	5.17%	5.75%	7.74%	7.77%
Appreciation	0.77%	7.68%	8.20%	7.51%	-0.04%	1.19%	1.21%

¹ PRISA Composite represents combined assets held by PRISA SA and PRISA LP.

Note: For illustrative purposes only; Investors should not rely on the PRISA Composite information for any reason.

² The Fund leverage ratio calculation is prepared and presented in this report in accordance with the portfolio investment guidelines. Detailed calculations and/or reconciliations to the balance sheet of the Fund can be made available upon request.

³ Refers to time periods shown above, current quarter, one, three, five and ten years and since NFI-ODCE inception return periods.

^{*} Benchmark represents NFI-ODCE. NFI-ODCE returns based on the final report published by NCREIF on July 29, 2016.

PRISA SA Portfolio Snapshot

PRISA SA Spapshot	2016
Gross Investment Value ¹	\$22.9B
Net Investment Value ¹	\$18.0B
Number of Investments	273

Risk Profile		
Current Portfolio ^{2,3}	Actual	Guideline
Core	93.1%	≥ 90.0%
Non-Core	6.9%	≤ 10.0%

PRISA SA Historical Perfor	nance 2016	1-Year	3-Year	5-Year	10-Year	Since Inception
Income	1.15%	4.76%	4.99%	5.17%	5.74%	7.77%
Appreciation	0.78%	7.72%	8.22%	7.53%	3.0	1.21%
Total	1.93%	12.75%	13.52%	12.98%	5.73%	9.05%
NFI-ODCE	2.13%	11.82%	13.00%	12.72%	6.17%	N/A

Quarterly Renformance	Returns By Propert	y Type (Lever	oged)				
	Office	Apartment	Retail	Industrial	Storage	Hotel	Other⁵
Income	1.08%	1.17%	1.36%	1.23%	1.44%	1.25%	0.44%
Appreciation	0.40%	0.78%	0.37%	1.53%	3.82%	-3.75%	0.06%
Total	1 48%	1.95%	1.73%	2.76%	5.26%	-2.32%	0.50%

DeatProfile		2016
Cost of Debt ⁴		
Weighted Average Cost of Fixed-Rat	e Debt	4.1%
Weighted Average Cost of Floating-	Rate Debt	2.2%
Weighted Average Cost of Debt		3.7%
Weighted Average Maturity		6.3 yrs
Leverage Metrics ⁴	Actual	Max Limit
Leverage Ratio⁵	19.8%	≤ 30.0%
Recourse Debt Ratio	3.1%	≤ 15.0%
% Property Level Debt	84.5%	N/A
% Portfolio Level Debt	15.5%	N/A
Debt to Income Multiple	4.8x	≤ 5.0x

Property Type Div	rersification ^e (Gross Mark	et Value)	
	PRISA SA	ODCE	Relative Exposure
Office	38.8%	37.7%	110 bps
Apartment	20.9%	24.1%	-320 bps
Retail	17.8%	20.0%	-220 bps
Industrial	13.3%	14.2%	-90 bps
Storage	6.5%	2.1%	440 bps
Hotel	0.5%	0.8%	-30 bps
Other ⁶	2.2%	N/A	N/A

FIXED VS. FLOATING RATE DEBT4

- 77.1% Fixed
- 11.5% Floating w/ Cap
- 11.4% Floating



¹ "Gross Investment Value" and "Net Investment Value" are intended to represent the value of the assets held by PRISA SA and PRISA LP, without netting out PRISA LP's respective interest therein. Please see "PRISA Net Investment Performance & Financial Position" in the Appendix for PRISA SA's Net Asset Value.

² For development properties, exposure is based on PRISA's share of total development costs at completion. When considering gross amounts spent to date of \$260.0M, non-core exposure is 4.9%.

³ Based on PRISA SA's share of gross market value in properties and debt investments.

^{*} Represents portfolio level debt, 100% of wholly-owned and PRiSA SA's share of all joint venture debt.

⁵ The Fund leverage ratio calculation is prepared and presented in this report in accordance with the Portfolio investment guidelines. Detailed calculations and/or reconciliations to the balance sheet of the Fund can be made available upon request.

⁶ Includes Harbor Garage and Land.

PRISA LP Portfolio Snapshot

PRISA LP Snapshot	2016
Gross Investment Value ¹	\$22.0B
Net Investment Value ¹	\$17.0B
Number of Investments	273

Risk Profile		
Current Portfolio ^{2,3}	Actual	Guideline
Core	92.7%	≥ 90.0%
Non-Core	7.3%	≤ 10.0%

PRISA LP Flision (a) Pentoma	itee 2015.	L-Year	3-Year	5-Year	10 Year	Since Inception
Income	1.16%	4.78%	5.07%	5.19%	5.76%	7.77%
Appreciation	0.71%	7.37%	8.08%	7.47%	-0.06%	1.20%
Total		12.41%	13.45%	12.95%	5.71%	9.05%
NFI-ODCE	2.13%	11.82%	13.00%	12.72%	6.17%	N/A

Quarterly Reformance	: Returns By Propera	y Type (Leverage	d)				
	Office	Apartment	Retail	Industrial	Storage	Hotel	Other ⁶
Income	1.09%	1.16%	1.36%	1.23%	1.44%	1.25%	0.44%
Appreciation	0.22%	0.76%	0.37%	1.52%	3.82%	-3.57%	0.06%
Total	1.31%		1.73%	2.75%	5.26%	-2.32%	0.50%

Debt Profile Cost of Debt*		2016.
Weighted Average Cost of Fixed-Rat	e Debt	4.1%
Weighted Average Cost of Floating-F	Rate Debt	2.3%
Weighted Average Cost of Debt		3.7%
Weighted Average Maturity		6.3 yrs
Leverage Metrics ⁴	Actual	Max Limit
Leverage Ratio ⁵	20.2%	≤ 30.0%
Recourse Debt Ratio	3.3%	≤ 15.0%
% Property Debt	84.0%	N/A
% Portfolio Debt	16.0%	N/A
Debt to Income Multiple	4.9x	≤ 5.0x

			Relative
	PRISA LP	ODCE	Exposure
Office	38.2%	37.7%	50 bps
Apartment	19.7%	24.1%	-440 bps
Retail	18.6%	20.0%	-140 bps
Industrial	13.9%	14.2%	-30 bps
Storage	6.8%	2.1%	470 bps
Hotel	0.5%	0.8%	-30 bps
Other ⁶	2.3%	N/A	N/A

FIXED VS. FLOATING RATE DEBT

- 77.7% Fixed
- 11.8% Floating w/ Cap
- 10.5% Floating



¹ "Gross Investment Value" and "Net Investment Value" are intended to represent the value of the assets held by PRISA LP and PRISA SA, without netting out PRISA SA's respective interest therein except for PRISA SA interests in PRISA Legacy Assets held outside of PRISA REIT. Please see "PRISA Net Investment Performance & Financial Position" in the Appendix for PRISA LP's Net Asset Value.

² For development properties, exposure is based on PRISA's share of total development costs at completion. When considering gross amounts spent to date of \$260.0M, non-core exposure is 4.9%.

³ Based on PRISALP's share of gross market value in properties and debt investments.

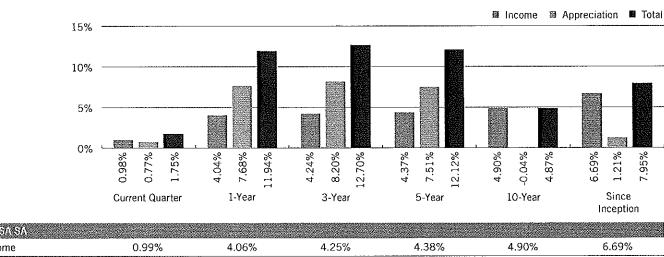
⁴ Represents portfolio level debt, 100% of wholly-owned and PRISA LP's share of all joint venture debt.

⁵ The Fund leverage ratio calculation is prepared and presented in this report in accordance with the Portfolio investment guidelines. Detailed calculations and/or reconciliations to the balance sheet of the Fund can be made available upon request.

⁶ Other includes Harbor Garage and Land.

PRISA Net Investment Performance & Financial Position

PRISA COMPOSITE TOTAL RETURNS AFTER MANAGER COMPENSATION/FEES FOR THE PERIODS ENDING JUNE 30, 20161



MANSA SA	0.99%	4.06%	4.25%	A 38%	4.90%	6.69%
Appreciation	0.78%	7.72%	8.22%	7.53%	-0.04%	1.21%
Total PRISA SA	1.//%	12.02%	12.73%	12.15%	4.88%	7.95%

PRISALP						
Income	0.94%	3.83%	4.13%	4.27%	4.85%	6.67%
Appreciation	0.71%	7.37%	8.08%	7.47%	-0.06%	1.20%
Total PRISA LP	1.65%	11.42%	12.45%	11.98%	4.80%	7.94%

Net Assets	\$14,803.0	\$3,209.6
Total Liabilities	\$0.1	\$0.1
Other Liabilities	0.1	0.1
Minority Interest	0.0	0.0
Portfolio-level Debt	0.0	0.0
Mortgage Loans Payable	\$0.0	\$0.0
Total Assets	\$14,803.1	\$3,209.7
Other Assets	0.1	0.0
Cash & Short-term Investments	84.1	0.1
Real Estate Investments	\$14,718.9	\$3,209.6
Unaudited	PRISA SA	PRISA LP
Financial Position as of June 30, 2016 (\$ million	s)	

¹ Returns prior to January 1, 2013 are based upon PRISA SA. Past performance is not a guarantee or a reliable indicator of future results.

Schroder Investment Management North America Inc. C/O US Bancorp Fund Services, LLC PO Box 701 Milwaukee, WI 53201-0701 **Investor Statement**

Page 1 of 1

for the period of: January 1, 2016 - July 29, 2016

ATTN KATHLEEN MEETH 515 CENTER AVE BAY CITY MI 48708-5941

000018

Please note, as of February 2016 we have enhanced the monthly statement to reflect YTD activity.

If you have any questions or comments regarding this statement, please contact your Client Service team at Schroders, New York at clientserviceny@schroders.com.

			Positions	Held				
	<u> </u>	Fund Number	Account Number		Total Shares	Share Price	Fund Value	% of Holdings
SCHRODER INTERNATIONAL SMA	ALL CO'S FUND	3179	50306	i (2,682.509	\$10,343.6285	\$27,746,876.54	100.00%
TOTAL VALUE						_	\$27,746,876.54	100.00%
		Accour	nt Year-to-	Date Sun	ımary			
		Fund Number	Account Number	Investments	Red	emptions	Dividends	Capita Gain
SCHRODER INTERNATIONAL SMA	ALL CO'S FUND	3179	50306	\$0.0	0	\$0.00	\$0.00	\$0.0
TOTAL VALUE				\$0.0	0	\$0.00	\$0.00	\$0.0
		Year-to	-Date Tra	nsaction	Detail			
Trade Date	Transaction	1	Dolla	r Amount	Price	Sha	rac	Total Shares
SCHRODER INTERNATION	NAL SMALL CO'S FU	UND	1		FUND/AC	COUNT NUMBI	ER: 3179-503	306

BALANCE FORWARD ENDING BALANCE

\$27,746,876.54 \$10,343.6285

2,682.509 2,682.509



59



>Abel/Noser Corp.
One Battery Park Plaza,
New York, NY 10004-1405
phone:646.432.4000 800.322.2610
fax: 212.363.7571
website: www.abelnoser.com>

Date 8/17/2016 Page 1 of 1

\$0.00

\$170.17

\$0.00

Commission Program Review Rep: MARY DAVIDSON

Ms. Crystal Herbert Bay County Financial Officer Bay County Retirement System 515 Center Avenue Suite 701 Bay City, MO 48708

Month Summary: BAY COUNTY EMPLOYEES RETIREMENT SYSTEM Period: July 1, 2016 To July 31, 2016 July 2016 Year To Date Opening Balance: \$0.00 \$0.00 Commission: \$0.00 \$170.17 Credit: \$0.00 \$0.00 Payments: \$0.00 \$0.00 \$0.00 Adjustments: \$0.00 \$0.00 \$0.00 Ending Balance: *Previous Year's closing balance Manager Commission Summary July 2016 Year to Date Year to Date July 2016 Commission Credit Commission Credit \$0.00 \$170.17 \$0.00 HOTCHKIS & WILEY \$0.00

Are you considering making a portfolio change soon? Contact your Abel Noser representative or Transitions@abelnoser.com for information about our Transition Service which was rated #1 in the 'Overall Service' category in the 2013 aiCIO Global TM Survey.

\$0.00

Total:



1700 Pacific Avenue, Suite 1100 Dallas, Texas 75201

214.720.0055 800.247.6729

Evecution

Member NYSE, FINRA, NFA, SIPC WBENC Certified Women-Owned

Founded 1977

Bay County Employees' Ret. Sys.

CAPIS Account: 10263

Settlement Month Ending: 7/31/2016

Recanture

TOTAL COMMISSION

COMMISSION ALLOCATION

Paginn	ina	Balance
Beainn	ına	Balance

U.S. Equity

International Equity

Fixed Income

International Fixed Income

New Issues

Options

Futures

Foreign Currency

Syndicates

U.S. Correspondent Equity

Recapture Subtotals

Execution

Directed

Correspondent Broker/Dealer

Total

لالتائد	ganika binapalangiying	YTD
XXIJ.		
		4.754.70
		1,754.70
HEADONE BACAGAS		
		3,123.78
approprietable and the second		
elektronythe projektyticker		0.4.070.40
	\$ 0.00	\$ 4,878.48
	\$ 0.00	\$ 0.00
Selection of the select		
	* • • • •	\$ 0.00
	\$ 0.00	\$ U.UU
	\$ 0.00	\$ 0.00
eria e e e e e e e e e e e e e e e e e e e	\$ 0.00	7801 6 4 656 4650
	። ፍለ ሰበ	\$ 4,878.48

Execu	Execution	116	
Anla	YTD	Yuly	YTD
		\$541.96	\$177.01
-	446.76	-	1,307.94
-	-	-	-
-	-	-	-
•	-	-	-
-	-	-	-
•	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	1,465.21	_	1,658.57
\$ 0.00	\$ 1,911.97	\$ 0.00	\$ 2,966.51

	Total Earned	\$ 0.00	\$ 2,966.51
	Total Redeemed	\$ 541.96	\$ 3,143.52
Balance as of 7/31/2016		\$ 0.00	\$ 0.00

Account Executive: Jon Lantz

Phone: (214) 978-4778

Sales Assistant: Christilla Moreno

Phone: (214) 978-4743

1700 Pacific Avenue, Suite 1100 Dallas, Texas 75201 214.720.0055 800.247.6729 Member NYSE, FINRA, NFA, SIPC WBENC Certified Women-Owned

\$ 3,143.52

Founded 1977

Bay County Employees' Ret. Sys.

CAPIS Account: 10263

Settlement Month Ending: 7/31/2016

Summary of Segregated Account Detail			
	t.d.	\/TD	
	July	YTD	
Payment from Segregated Account	\$ 541.96	\$ 3,143.52	

Voucher Amount

\$ 541,96

Segregated Account Detail

Service Period	Comments/Notes	Vendor Invoice #	Date Paid	July	Prior Months	QTY	Mixed Use %
Payment from Segregated Account				· · · · · · · · · · · · · · · · · · ·			
December 2015	Commission Recapture	305624Bay Count	01/15/2016		\$ 177.01		
January 2016	Commission Recapture	306237Bay Count	02/12/2016		\$ 381.33		
February 2016	Commission Recapture	306725Bay Count	03/15/2016		\$ 556.20		
March 2016	Commission Recapture	307305Bay Count	04/15/2016		\$ 884.63		
April 2016	Commission Recapture	307776Bay Count	05/16/2016		\$ 117,60		
May 2016	Commission Recapture	308237Bay Count	06/15/2016		\$ 484.79		
June 2016	Commission Recapture	308759Bay Count	07/15/2016	\$ 541.96			
		Payment from Segregate	ed Account Total	\$ 541.96	\$ 2,601.56	\$ 3,143.52	
		Grand Total	ı	\$ 541.96	\$ 2,601.56	\$ 3,143.52	

(0)

Account Executive: Jon Lantz

Sales Assistant: Christilla Moreno

Dhama. /244\ 070 4742



1700 Pacific Avenue, Suite 1100 Dallas, Texas 75201 214.720.0055 800.247.6729 Member NYSE, FINRA, NFA, SIPC WBENC Certified Women-Owned

Founded 1977

Bay County Employees' Ret. Sys.

CAPIS Account: 10263

Settlement Month Ending: 7/31/2016

mmary of Directed Commission by Manag	ger				
		Commiss	ion	Recapture All	ocation
	Shares	July	ΥΤD	July	YTD .
Columbia Threadneedle investments	0	\$0.00	\$3,123.78	\$0.00	\$1,658.57
Henderson Geneva	0	0.00	1,678.56	0.00	1,252.95
MFS Investment Management	0	0.00	76.14	0.00	54.99
	0	\$ 0.00	\$ 4,878.48	\$ 0.00	\$ 2,966.51

Account Executive: Jon Lantz

Phone: (214) 978-4778

Sales Assistant: Christilla Moreno

Phone: (214) 978-4743

Securities Lending Summary Earnings Report for MR

FAMILY CODE FAM8765

From Jul 1, 2016 To Jul 31, 2016

Page 1 of 6

	US FIXED	US EQUITY	GLOBAL FIXED	GLOBAL EQUITY	TOTAL
ACCOUNT NUMBER : 2608694					
ACCOUNT NAME : *BAYCO - COLUMBI	A BAANAGEMENT				
	A MANAGEMEN (
CURRENCY : USD					
OPEN CASH	0.00	4,383.31	0.00	0.00	4,383.31
TERM CASH	0.00	0.00	0.00	0.00	0.00
NON CASH	0.00	64.96	0.00	0.00	64.96
DEAL STOCKS	0.00	0.00	0.00	0.00	0.00
EXCLUSIVES	0.00	0.00	0.00	0.00	0.00
GROSS EARNINGS	0.00	4,448.27	0.00	0.00	4,448.27
TOTAL REBATES	0.00	1,777.78	0.00	0.00	1,777.78
COMMISSIONS	0.00	0.00	0.00	0.00	0.00
CLIENT EARNINGS	0.00	2,670.49	0.00	0.00	2,670.49
BANK FEES	0.00	800.67	0.00	0.00	800.67
NET INCOME	0.00	1,869.82	0.00	0.00	1,869.82
ACCOUNT NUMBER : 2618668		•			
ACCOUNT NAME : *BAYCO - BAIRD	-SL				
CURRENCY : USD					
OPEN CASH	502.32	0.00	0.00	0.00	502.32
TERM CASH	0.00	0.00	0.00	0.00	0.00
NON CASH	0.00	0.00	0.00	0.00	0.00
DEAL STOCKS	0.00	0.00	0.00	0.00	0.00
EXCLUSIVES	0.00	0.00	0.00	0.00	0.00
GROSS EARNINGS	502.32	0.00	0.00	0.00	502.32
TOTAL REBATES	295.64	0.00	0.00	0.00	295.64
COMMISSIONS	0.00	0.00	0.00	0.00	0.00
CLIENT EARNINGS	206.68	0.00	0.00	0.00	206.68
BANK FEES	61.97	0.00	0.00	0.00	61.97
	144.71	0.00	0.00	0.00	144.71

Securities Lending

Summary Earnings Report for MR

FAMILY CODE FAM8765

From Jul 1, 2016 To Jul 31, 2016

Page 2 of 6

		US FIXED	US EQUITY	GLOBAL FIXED	GLOBAL EQUITY	ТОТА
ACCOUNT NUME	3ER : 2622490					
ACCOUNT NAME	: *BAYCO - MACKAY S	HIELDS -SL				
CURRENCY	: USD					
OPEN CASH		1,427.15	571.39	94.14	201.08	2,293.76
TERM CASH		0.00	0.00	0.00	0.00	0.00
NON CASH		231.70	0.00	0.00	0.00	231.70
DEAL STOCK	S	0.00	0.00	0.00	0.00	0.00
EXCLUSIVES		0.00	0.00	0.00	0.00	0.00
GROSS EARN	INGS	1,658.85	571.39	94.14	201.08	2,525.46
TOTAL REBA	TES	-53.74	203.60	33.80	85.78	269.44
COMMISSION	18	0.00	0.00	0.00	0.00	0.00
CLIENT EARN	IINGS	1,712.59	367.79	60.34	115.30	2,256.02
BANK FEES		513.49	110.14	18.09	34.54	676.26
NET INCOME		1,199.10	257.65	42.25	. 80.76	1,579.76
ACCOUNT NUMB	ER : 2622536					
ACCOUNT NAME	: *BAYCO - HOTCHKIS	& WILEY -SL				
CURRENCY	: USD					
OPEN CASH		0.00	2,574.63	0.00	806.17	3,380.80
TERM CASH		0.00	0.00	0.00	0.00	0.00
NON CASH		0.00	5.08	0.00	0.00	5.08
DEAL STOCK	S	0.00	0.00	0.00	0.00	. 0.00
EXCLUSIVES		0.00	0.00	0.00	0.00	0.00
GROSS EARNINGS		0.00	2,579.71	0.00	806.17	3,385.88
TOTAL REBATES		0.00	1,007.10	0.00	337.07	1,344.17
COMMISSION	IS	0.00	0.00	0.00	0.00	0.00
CLIENT EARN	INGS	0.00	1,572.61	0.00	469.10	2,041.71
		0.00	468.81	0.00	140,01	608.82
BANK FEES		0.00	, 400.01	0.00	140.01	000.02

Securities Lending Summary Earnings Report for MR

FAMILY CODE FAM8765

From Jul 1, 2016 To Jul 31, 2016

Page 3 of 6

	US FIXED	US EQUITY	GLOBAL FIXED	GLOBAL EQUITY	TOTAL	
ACCOUNT NUMBER : 2641401						
ACCOUNT NAME : *BAYCO - LOOMIS SAYLES	-\$L					
CURRENCY : USD						
OPEN CASH	2,432.01	0.00	416.47	0.00	2,848.48	
TERM CASH	0.00	0.00	0.00	0.00	0.00	
NON CASH	53.00	0.00	0.00	0.00	53.00	
DEAL STOCKS	0.00	0.00	0.00	0.00	0.00	
EXCLUSIVES	0.00	0.00	0.00	0.00	0.00	
GROSS EARNINGS	2,485.01	0.00	416,47	0.00	2,901.48	
TOTAL REBATES	836.47	0.00	147.05	0.00	983.52	
COMMISSIONS	0.00	0.00	0.00	0.00	0.00	
CLIENT EARNINGS	1,648.54	0.00	269.42	0.00	1,917.96	
BANK FEES	493.38	0.00	80.64	0.00	574.02	
NET INCOME	1,155.16	0.00	188.78	0.00	1,343.94	
ACCOUNT NUMBER : 2649057						
ACCOUNT NAME : *BAYCO GENEVA CAPITAL MO	AL MGMT-SL					
CURRENCY : USD						
OPEN CASH	0.00	4,709.41	0.00	61.97	4,771.38	
TERM CASH	0.00	0.00	0.00	0.00	0.00	
NON CASH	0.00	3.10	0.00	0.00	3.10	
DEAL STOCKS	0.00	0.00	0.00	0.00	0.00	
EXCLUSIVES	0.00	0.00	0.00	0.00	0.00	
GROSS EARNINGS	0.00	4,712.51	0.00	61.97	4,774.48	
TOTAL REBATES	0.00	1,788.83	0.00	25.27	1,814.10	
COMMISSIONS	0.00	0.00	0.00	0.00	0.00	
CLIENT EARNINGS	0.00	2,923.68	0.00	36.70	2,960.38	
BANK FEES	0.00	876.30	0.00	10.94	887.24	
NET INCOME	0.00	2,047.38	0.00	25.76	2,073.14	

10

Securities Lending Summary Earnings Report for MR FAMILY CODE FAM8765

From Jul 1, 2016 To Jul 31, 2016

Page 4 of 6

	US FIXED	US EQUITY	GLOBAL FIXED	GLOBAL EQUITY	TOTAL
ACCOUNT NUMBER : 2653308					
ACCOUNT NAME : *BAYCO - INTEGRI	TY -SL				
CURRENCY : USD				•	
OPEN CASH	0.00	3,962.42	0.00	363,64	4,326.06
TERM CASH	0.00	0.00	0.00	0.00	0.00
NON CASH	0.00	27.76	0.00	0.00	27,76
DEAL STOCKS	0.00	0.00	0.00	0.00	0.00
EXCLUSIVES	0.00	0.00	0.00	0.00	0.00
GROSS EARNINGS	0.00	3,990.18	0.00	363.64	4,353.82
TOTAL REBATES	0.00	1,508.17	0.00	155.12	1,663.29
COMMISSIONS	0.00	0.00	0.00	0.00	0.00
CLIENT EARNINGS	0.00	2,482.01	0.00	208.52	2,690.53
BANK FEES	0.00	742.55	0.00	62.46	805.01
NET INCOME	0.00	1,739.46	0.00	146.06	1,885.52
ACCOUNT NUMBER : 2663296					
ACCOUNT NAME : *BAYCO - CORNER	STONE REALES-SL				
CURRENCY : USD					
OPEN CASH	0.00	2,054.79	0.00	0.00	2,054.79
TERM CASH	0.00	0.00	0.00	0.00	0.00
NON CASH	0.00	0.00	0.00	0.00	0.00
DEAL STOCKS	0.00	0.00	0.00	0.00	0.00
EXCLUSIVES	0.00	0.00	0.00	0.00	0.00
GROSS EARNINGS	0.00	2,054.79	0.00	0.00	2,054.79
TOTAL REBATES	0.00	873.65	0.00	0.00	873.65
COMMISSIONS	0.00	0.00	0.00	0.00	0.00
CLIENT EARNINGS	0.00	1,181.14	0.00	0.00	1,181.14
	0.00	000 47	0.00	0.00	353.17
BANK FEES	0.00	353.17	0.00	0.00	333.17

Securities Lending Summary Earnings Report for MR FAMILY CODE FAM8765 From Jul 1, 2016 To Jul 31, 2016

From Jul 1, 2016 To Jul 31, 2016

		US FIXED	US EQUITY	GLOBAL FIXED	GLOBAL EQUITY	TOTA
ACCOUNT NUMB	ER : 2683854					-
ACCOUNT NAME	: *BAYCO - MFS INVEST	MENTS -SL				
CURRENCY	: USD					
OPEN CASH		0.00	4,290.16	0.00	482.21	4,772.37
TERM CASH		0.00	0.00	0.00	. 0.00	0.00
NON CASH		0.00	70.26	0.00	0.00	70.26
DEAL STOCK	S	0.00	0.00	0.00	0.00	0.00
EXCLUSIVES		0.00	0.00	0.00	0.00	0.00
GROSS EARN	INGS	0.00	4,360.42	0.00	482.21	4,842.63
TOTAL REBAT	res	0.00	1,773.71	0.00	-70.49	1,703.22
COMMISSION	S	0.00	0.00	0.00	0.00	0.00
CLIENT EARN	INGS	0.00	2,586.71	0.00	552.70	3,139.41
BANK FEES		0.00	775.02	0.00	165.70	940.72
NET INCOME		0.00	1,811.69	0.00	387.00	2,198.69
ACCOUNT NUMB	ER : 2695063					
ACCOUNT NAME	: *BAYCO - EAGLE ASSI	et -sl				
CURRENCY	: USD					
OPEN CASH		0.00	3,325.96	0.00	234.01	3,559.97
TERM CASH	•	0.00	0.00	0.00	0.00	0.00
NON CASH		0.00	78.22	0.00	0.00	78.22
DEAL STOCKS	8	0.00	0.00	0.00	0.00	0.00
EXCLUSIVES		0.00	0.00	0.00	0.00	0.00
GROSS EARN	INGS	0.00	3,404.18	0.00	234.01	3,638.19
TOTAL REBAT	ES	0.00	-246.42	0.00	99.06	-147.36
COMMISSION	S	0.00	0.00	0.00	0.00	0.00
CLIENT EARN	INGS	0.00	3,650.60	0.00	134.95	3,785.55
BANK FEES		0.00	1,091.82	0.00	40.35	1,132.17
NET INCOME		0.00	2,558.78	0.00	94.60	2,653.38

Securities Lending

Summary Earnings Report for MR

FAMILY CODE FAM8765

From Jul 1, 2016 To Jul 31, 2016

Page 6 of 6

	US FIXED	US EQUITY	GLOBAL FIXED	GLOBAL EQUITY	TOTAL
GRAND TOTAL					
CURRENCY : USD					
OPEN CASH	4,361.48	25,872.07	510.61	2,149.08	32,893.24
TERM CASH	0.00	0.00	0.00	0.00	0.00
NON CASH	284.70	249.38	0.00	0.00	534.08
DEAL STOCKS	0.00	0.00	0.00	0.00	0.00
EXCLUSIVES	0.00	0.00	0.00	0.00	0.00
GROSS EARNINGS	4,646.18	26,121.45	510.61	2,149.08	33,427.32
TOTAL REBATES	1,078.37	8,686.42	180.85	631.81	10,577.45
COMMISSIONS	0.00	0.00	0.00	0.00	0.00
CLIENT EARNINGS	3,567.81	17,435.03	329.76	1,517.27	22,849.87
BANK FEES	1,068.84	5,218.48	98.73	454.00	6,840.05
NET INCOME	2.498.97	12,216.55	231.03	1,063.27	16,009.82

Although this report has been prepared using information believed to be reliable, it may contain information provided by third parties or derived from third party information, and/or information that may have been obtained from, categorized or otherwise reported based upon client direction. The Northern Trust Company does not guarantee the accuracy, timeliness or completeness of any such information. The information included in this report is Intended to assist clients with their financial reporting needs, but you must consult with your accountants, auditors and/or legal counsel to ensure your accounting and financial reporting compiles with applicable laws, regulations and accounting guidance. The Northern Trust Company and its affiliates shall have no responsibility for the consequences of investment decisions made in reliance on information contained in this report.

August 31, 2016

EMPLOYEE/BENEFICIARY	CONTRIBUTIONS	PROCESSED	DEPARTMENT	TERMINATION
Chapman, Alicia	1,528.16	8/2/20	16 BABH	5/20/201
McCarthy, Jacqueline	14,854.97	8/2/2016	DWS	6/8/2016
Katt, Michelle	58,426.01	8/2/2016	General	6/1/2016
Borkowski, Rylie	750.93	8/11/2016	BMCF	6/16/2016
Prezzato, Emily	5,058.81	8/24/2016	Sheriff	6/1/2016
Wade, Alexandria	442.08	9/2/2016	BMCF	6/30/2016
Foerster, Morgan	2,185,27	9/2/2016	BABH	
Turner, Astrid	4,803,40	9/6/2016	BABH	3/18/2015

TOTAL REFUNDS:

88,049.63

NEW RETIREE	CONTRIBUTIONS TRANSFERRED	RETIREMENT GROUP/ COUNTY DEPT	EFFECTIVE DATE	
Majeske, Scott	99,722.63	Sheriff	7/15/2016	
McCumber, Beverly	41,887.61	General	7/12/2016	
Sheldon, Sheri	\$19,921.08	BMCF	7/21/2016	
Middleton, Jerlyn	\$29,660.57	Sheriff	7/30/2016	
Gillman, Daniel	\$97,853.78		8/6/2016	

DECEASED EMPLOYEE/ RETIREE	BENEFICIARY	REFUND/ PENSION	DATE OF DEATH	DIVISION/ DEPARTMENT
Klemish, Michael	Pamela Klemish	9,260.77	11/7/2015	BABH
Anschutz, Paul	NA	141.69	7/25/2016	Road
Beaver, Robert	Gloria Beaver	872.34	8/26/2016	General

NO REFUNDS	ACCUMULATED	UNION	DATE	
EMPLOYEE NAME	CONTRIBUTIONS	GROUP	TERMINATED	
LONGUSKI, ELENA	1,714.26	BCM NON-UNION	6/30/2016	
MULDERS, JORDAN	303.63	BMC USW	7/12/2016	
UPTON, KRISTY	2,605.97	GEN BCAMPS	7/14/2016	
BRAY KRISTY	266.08	GEN NON-UNION	1/31/2014	
SHARP DENELL	1,395.08	BCM USW	7/18/2016	
PREZZATO, EMILY	10,107.93	Sheriff Road Patrol	6/1/2016	
OTBERG, KRISTOPHER	1,394.03	Sheriff CFO	7/13/2016	
DESJARLAIS, SEAN	2,066.22	Sheriff CFO	8/13/2014	
OSTANSKI, CRYSTAL	6,921.72	BMC USW	7/26/2016	

26,774.92

			TUDYASIVASI III EUSIMIRANGESIIIE	AVNIGBJE BUDGET I 18 76 USERN
FUND BALANCE	indiase (shear equiper que por 19-19-19) de que el que estada interner	The state of the s	լատական առագահայտության, առաջ, դրանաց անակայացության ըվալ ըվանական դեպ դեպ վարական հայարական այների ավական ան 	0.00%
FUND BALANCE-RESRVS/DSGNATIONS	- American Conference Management of the Period Conference of the Period	e koji mikan un in objectiva e in na die pozici su vini kili novan na klazini pra vini mazikisti o lotog a padk T	androng son and only suggested was the analysis of the solid very solid	- 0.00%
NET ASSETS - RESERVES	4,601,447.00	4,601,447,00		4,601,447.00
Total RA FUND BALANCE, NET AS	4,601,447.00	- 4,601,447.00	englishi i magadan o engana i pagada a pilan a magada i magada a magada a magada a magada a magada a magada a m	4,601,447.00 0.00%
ER CONTR-BEHAVE HEALTH	(1,100,000.00)	(1,100,000.00)		(1,100,000.00) 0.00%
ER CONTR-MOSQUITO CONT	(13,000.00)	- (13,000.00)	(6,921.70) -	(6,078.30) 53.20 %
ER CONTR-HEALTH FUND	(60,000,00)	(60,000.00)	(33,721.03)	(26,278.97) 56.20%
ER CONTR-ROAD COMMISS.	(550,000.00)	- (550,000.00)	(96,589.19) -	(453,410.81) 17.60 %
ER CONTR-LIBRARY	(180,000.00)	(180,000.00)	(14,459.25)	(165,540.75) 8.00%
ER CONTR-GOLF COURSE	(5,000.00)	- (5,000.00)	(2,076.63) -	(2,923.37) 41.50%
ER CONTR-GENERAL FUND	(375,000.00)	(375,000.00)	(215,084.94)	(159,915,06) 57.40%
ER CONTR-DWS	(375,000.00)	- (375,000.00)	(102,188.02)	(272,811.98) 27.30%
ER CONTR-911 SERVICE	(45,000.00)	[45,000.00]	(23,100.40) 計劃 計劃 清洁诗	(21,899.60) 51.30%
ER CONTR-CHILD CARE	(40,000.00)	- (40,000.00)	(21,188.63)	(18,811.37) 53.00%
ER CONTR-DIV ON AGING	(43,000.00)	(43,000.00)	(25,742.85)	(17,257.15) 59.90%
ER CONTR-RETIRE SYSTEM	(1,900.00)	- (1,900.00)	(971.19) -	(928.81) 51.10%
ER CONTR-HOMELAND S FD	(3,000,00)	(3,000.00)		(3,000.00) 0.00%
ER CONTR-GYPSY MOTH	(2,000.00)	- (2,000.00)	(1,158.80) -	(841.20) 57.90%
ER CONTR-HOME REHABIL.	(180.00)	(180.00)	[51.87] (51.87)	(128.13) 28.80%
ER CONTR-100% TAX PYMT	(3,300.00)	- (3,300.00)	(1,830.73) -	(1,469.27) 55.50%
ER CONTR-MED CARE FAC.	(600,000.00)	(600,000,00)	(45,298.89)	(554,701.11) 7.50%
ER CONTR-SELF INSURANC	(600.00)	- (600.00)	(259.20) -	(340.80) 43.20 %
ER CONTR-COMM, CORRECT.	(2,100.00)	(2,100.00)	(913.96)	(1,186,04) 43.50%
ER CONTR-F.O.C. FUND	(2,500.00)	- (2,500.00)	(1,635.04)	(864.96) 65.40%
ER CONTR-HOUSING FUND	(6,000.00)	(6,000.00)	(3,297,94)	(2,702.06) 55.00%
ER CONTR-LOCAL CFO TR	(300.00)	- (300.00)	(44.92) -	(255.08) 15.00%
ER CONTRIB-CONC PISTOL			(246.46)	246.46 100.00%
ER CONTR-SHERIFF DEPT	(5,000.00)	- (5,000.00)	e skal til 1900 og stæger ett i tre mæret præde blege en behæle fyrif e bet sedan 22.	(5,000.00) 0.00%
EE CONTR-BEHAVE HEALTH	(500,000.00)	(500,000,00)	(148,236.75)	(351,763.25) 29.60%
EE CONTR-MOSQUITO CONT	(12,750.00)	- (12,750.00)	(6,921.70) - tankin sala Beharbaranak engan bin senganak teknis beraka akti ya	(5,828.30) 54.30%
EE CONTR-HEALTH FUND	(60,000.00)	(60,000.00)	[1] [43] 721.02] [1] [1] [1] [1] [1] [1] [1] [1] [1] [1	(26,278.98) 56.20%
EE CONTR-ROAD COMMISS.	(130,000.00) 130,000.00	(130,000.00) Transcontraction (15 to 15	(25,030.19) danoma ya sanuwa (wakasa katesa kalendara katesa	(104,969.81) 19.30%
EE CONTR-LIBRARY	(75,000.00)	(75:000.00)	(14,459-26) 11 (14,459-26) 11 (14,459-26)	(60,540.74) 19.30%
EE CONTR-GOLF COURSE	(4,200.00)	(4,200.00)	(2,076.63) Geografia at calculation of consequences of consequ	(2,123.37) 49.40%
EE CONTR-GENERAL FUND	(450,000,00)	(450,000.00)	(224,930,89)	(225,069,11) 50.00%
EE CONTR-DWS	(85,000.00)	(85,000.00) - ASSERVANDE SERVICE (STANDARD OF STREET FOR STANDARD SERVICE STREET STANDARD SERVICE STANDARD SERVICE STANDARD	(57,755.14)	(27,244.86) 67.90%
EE CONTR-911 SERVICE	(60,000.00)	(60,000,00)	(31,783.93)	(28,216,07) 53.00%

HARAMAR ASSOCIATION IN			MANUSTER VIPES IN	HIRATERICATION APPE		WAYVAIVAEIEE VEGENAAVA	TELEVISION OF THE
EE CONTR-CHILD CARE	(40,000.00)	description in the bodieses, in a case for indicatorial season and breach tested based.	(40,000.00)	(21,188.63)	- I i i i i i i i i i i i i i i i i i i	(18,811.37)	53.00%
EE CONTR-DIV ON AGING	(43,000.00)	awar ay and the same as a contract of the contract CVP.	(43,000.00)	(25,742.85)	supported the product of the transfer and a few contractions.	(17,257.15)	59.90%
EE CONTR-RETIRE SYSTEM	(2,200.00)	minimal in the experience of the formation described in the first own (1.5) is	(2,200.00)	(971.20)	atarahat die mei deriman dadi berdebugai at hara tetanut mahab	(1,228.80)	44.10%
EE CONTR-HOMELAND S FD							0.00%
EE CONTR-GYPSY MOTH	(1,900.00)	_	(1,900.00)	(1,158.80)	-	(741.20)	61.00%
EE CONTR-HOME REHABIL	(200.00)		(200.00)	(51.87)		(148.13)	25.90%
EE CONTR-100% TAX PYMT	(3,100.00)	-	(3,100.00)	(1,830.73)	-	(1,269.27)	59.10%
EE CONTR-MED CARE FAC.	(400,000.00)		(400,000.00)	(63,134.52)		(336,865,48)	15.80%
EE CONTR-SELF INSURANC	(450.00)	_	(450.00)	(259.21)	Em la consecutación de la consecutación	(190.79)	57.60%
EE CONTR-COMM.CORRECT.	(1,500.00)		(1,500,00)	(913.96)		(586.04)	60.90%
EE CONTR-F.O.C. FUND	(2,500.00)	_	(2,500.00)	(1,635.04)	we will not the Section of the Secti	(864.96)	65.40%
EE CONTR-HOUSING FUND	(5,800.00)		(5,800,00)	(3,297.94)		(2,502.06)	56.90%
EE CONTR.LOCAL CFO TR	(300.00)	end of the dedicate of a contraint of a dedicated as	(300.00)	(44.92)		(255.08)	15.00%
EE CONTRIB-CONC PISTOL				(246.46)		246.46	100.00%
EE CONTR-SHERIFF DEPT.	(230,000.00)	-	(230,000.00)	(172,021.80)	-	(57,978.20)	74.80%
Total RJ LOCAL UNIT CONTRIBUT	(5,520,780.00)		(5,520,780.00)	(1,434,195.08)	ani ka jarah bahar b	(4,086,584.92)	26.00%
INVESTMENT INTEREST/DIVIDENDS	(5,000,000.00)	ette disposation (1997) ette disposationer	(5,000,000.00)	(702,060.61)	Site of the second seco	(4,297,939.39)	14.00%
GAIN ON SALE OF INVESTMENTS	(20,000,000.00)		(20,000,000.00)	(4,452,789.36)	di Tipi Padakan Tibi di Mangela Tipi di Padakan Tibi di Sebata Tibili	(15,547,210.64)	22.30%
UNREALIZED GAIN ON INVESTMENTS	(3,000,000.00) (3,000,000.00)	- Halab ya kala a siya este afo o'ha a e'h asiyar a ya seb	(3,000,000.00)	e Paking manaka da GTBL dan dilahiri		(3,000,000.00) בניבעה בית בני בינים או ההתחור החודה	0.00%
GAIN ON FOREIGN CURRENCY EXCH	(40,000.00)		(40,000,00)	(771.47)		(39,228.53)	1.90%
SECURITIES LENDING EARNINGS	(180,000.00)	- Brown is successful and brown 275.	(180,000.00)	(42,344.50)		(137,655.50)	23.50%
Total RP INTEREST & RENTALS	(28,220,000.00)		(28,220,000.00)	(5,197,965.94)	提供的 在 提出的 计重要数据的 医重	(23,022,034.06)	18.40%
MISCELLANOUS REVENUES		- Sanakat keperengalan dan kebuah bahan	- PM Primar (No. 1615), And Angles (No. 1615)	- asan daerrini dansa	en e	- and Change of the Canada and the	0.00%
REIMBURSEMENTS	HTGGCCEPICES EEP DEGGECTEES		ari didduk Kasii dhekini				0.00%
REIMBURSEMENT - INDIVIDUALS		- Beding ribered byskingsgede.	uis neductratistic moltent	Kanasi wa bashe	Historia de la company de		part California de la 1911
TRADE-IN ALLOWANCE		B. 31 (15) (15) (15) (15) (15) (15) (15)	(15,000.00)	(1,114.54)	ilujah Brishdisia (717) ja:	(13,885.46)	0.00% 7.40%
COMMISSION RECAPTURE CLAIMS/SETTLEMENTS/JUDGEMENTS	(15,000.00) (100.000.00)	innesianti untessa de sins	(100,000,00)	(1,114.34)	esura de la rocción de la suporidada.	(13,883.46)	1.20%
Total RR OTHER REVENUE	(115,000.00)	Tilling de Langue de Salvente (14 de)	(105,000.00)	(2,306.28)	- 	(112,693.72)	2.00%
SALARIES-ELECTED OR APPOINTED	(113,000.00)	GRANT'S Openini St. Priori Status	51,012.00	20,060.17	an iku pekangal berasalah beri	30,951.83	39.30%
WAGES-CLERICAL-OTHER FULL TIME	10,566.00	2002-04-05-04-05-05-05-05-05-05-05-05-05-05-05-05-05-	10,566.00	6.147.90		4,418.10	58.20%
PAY IN LIEU OF HEALTH INSURANC			enia Baratti Bred	567.27		(567.27)	100.00%
TEMPORARY HELP	9,000.00 9,000.00	carna necesaria de Escribis e Especialista de Escribis (1. a) estal. 	9,000.00		assaudu datihi Madadada Arbid di A -	9,000.00	0.00%
PART TIME WAGES		aret poet peed aren pelastiga en en est La transpiración de la transpiración el esta					0.00%
OVERTIME	2,809.00		2,809.00	- da in hillion - 1	Na disemper i di mada di kalenderi. -	2,809.00	0.00%
	~,005100		-,5.00			~,~~	T. T T / U
HOLIDAY PAY	HR DULLE ENTRE DOES	<u>DOMORANDENDE PROPERT</u>	Alleria de la Caleria de la Ca	950.64	annauring basine	(950.64)	100.00%

VACATION PAY: \$8.46.00				TIRANIFES/A PASMUS	e Plyanius	GVPGFF AAA	MICHASOLPALIA	MENGUMERAVO	ESTATIVA VALVATE		A PARTIE D
VACATION PAY: \$5.19 \$5.19 \$5.19 \$5.19 \$5.19 \$5.19 \$5.10 \$5.00 \$5.15 \$5.19 \$5.10 \$5.00 \$	PER DIEM	Anna and and an and an and an and an an and an	3,420.00	-		3,420.00	1,530.00		-	1,890.00	44.70%
SICK PAY	VACATION PAY	ara dunanganar	kaineenka	a na umanin padansar Jaria Mid balin his		radina keseljin Staliku keberil	844.04	MATERIAL PROPERTY	SHEELER STREET	a transfer of the many trans-	100.00%
TERMINATION NACTION PAY	SICK PAY	an 11 gradhagaich bha is cheann had dat 300 ghbhaintiúiúin ta m	ar the mai statistic per trade in la Part I are i	iar providente funto discontrato platestada.	ad San China Shall Calman (1994) of the		58.19	", rysholyt stadartaturustu" (hylistor-coloistus illi	-	The transfer of the state of th	100.00%
Total XE WAGES & SALARIES 76,807.00 76,807.00 2,116.01 2,556.99 39.995 SOCIAL SECURITY 4,713.00 4,713.00 2,116.01 2,556.99 44.905 HEALTH INSURANCE 17,495.00 18,100 18,	TERMINATION SICK PAY		ARMESTICES	(1) 10 11 11 11 11 11 11 11 11 11 11 11 11			RETATERATION	High Order Hill		anus eni	0.00%
SOCIAL SECURITY 4,713.00 - 4,713.00 2,116.01 2,596.99 44.00%	TERMINATION VACTION PAY	Control of the state of the following the following the control of the state of the	-	-		*	-	of control mental first to a state (1911)	-	-	0.00%
HEALTH INSURANCE	Total XE WAGES & SALARIES		76,807.00			76,807.00	30,158.21		Ada podkisji	46,648.79	39.30%
RETIREE HEALTH CARE CONTRIBUT. MPLOYEE INCENTIVE BENEFITS 177.00 131.00 131.00 131.00 131.00 131.00 131.00 131.00 131.00 131.00 131.00 131.00 131.00 131.00 10.00% RETIREMENT OFFER FININGE BENEFITS (DETAIL) SIF ADMINISTRATION 93.00 93	SOCIAL SECURITY	The second secon	4,713.00	-	ana Santa ata Manna	4,713.00	2,116.01		-	2,596.99	44.90%
EMPLOYEE INCENTIVE BENEFITS 177.00	HEALTH INSURANCE		17,435.00			17,435.00	4,096.75			13,338.25	23.50%
LIFE INSURANCE 131.00 131.00 63.00 68.00 48.10% RETIREMENT 4,928.00 2,290.24 2,290.24 2,637.76 45.50% 2,290.24 2,637.76 45.50% 2,290.24 2,637.76 45.50% 2,637.76 45.50% 2,290.24 2,637.76 45.50% 2,637.76 45.50% 2,637.76 45.50% 2,637.76 45.50% 2,637.76 45.50% 2,637.76 45.50% 2,637.76 45.50% 2,637.76 45.50% 2,637.76 45.50% 2,637.76 45.50% 2,637.76 45.50% 2,637.76 45.50% 2,637.76 45.50% 2,637.76 45.50% 2,637.76 45.50% 2,637.76 45.50% 2,637.76 45.50% 2,637.76 2,63	RETIREE HEALTH CARE CONTRIBUT.		_	_		_	_		-		0.00%
RETIREMENT 4,928.00 4,928.00 2,290.24 2,637,76 46.50% OTHER PRINGE BENEFITS (DETAIL) 2,637,76 0.00% OTHER PRINGE BENEFITS (DETAIL) 2 0.00% OTHER PRINGE BENEFITS (DETAIL) 3 0.00% OTHER PRINCES OTHER PRINCES 0,000 0.00% OTHER PR	EMPLOYEE INCENTIVE BENEFITS		177.00			177.00				177.00	0.00%
OTHER PRINGE BENEFITS (DETAIL) SIF ADMINISTRATION WORKERS' COMPENSATION 93.00 93.00 93.00 42.96 50.04 46.20% (SICK AND ACCIOENT INSURANCE) UNEMPLOYMENT COMPENSATION 93.00 93.00 42.96 50.04 46.20% (SICK AND ACCIOENT INSURANCE) UNEMPLOYMENT COMPENSATION 93.00 28.279.00 28.279.00 8,904.24 19,374.76 31.50% DOFFICE SUPPLIES 2,000.00 2,000.00 131.06 1,668.94 66.60% BOOK SUPPLIES 2,000.00 1,000.00 34.94 965.06 800K SUPPLIES PRINTING AND BINDING 1,000.00 1,000.00 34.94 965.06 800K SUPPLIES RACIAL SERVICES 1,000.00 1500.00 1500.00 1500.00 238.63 261.37 47.70% RACIAL SERVICES 1500.00 1500.00 1500.00 1500.00 1500.00 1500.00 1500.00 1500.00 1500.00 1500.00 1500.00 1500.00 1500.00 1500.00 1500.00 133.45 1366.55 190% RACIAL SERVICES 1,000.00	LIFE INSURANCE	ta end orden energies och betydningsoch	Children will be seen a found to	. aug at i batte i vestes sinci e	sand a Medianna and a felial	estimate conditions and one	63.00	to the first section and articles and all and the first	-	and the second of the second of the second of	menserally and a specific
SIF ADMINISTRATION 93.00	RETIREMENT		4,928.00		Eidaoliyika	4,928.00	2,290.24			2,637.76	Litter that is not on a control of the con-
WORKERS' COMPENSATION 93.00 93.00 42.96 50.04 46.20% SICK AND ACCIDENT INSURANCE 709.00 709.00 252.32 35.60% 35.60	OTHER FRINGE BENEFITS (DETAIL)	r de Guardia de de de de Capita a da 2011. Pales	Li Gerra, hipatela la registra	and a second control of the second control o	and a consistent of changes of	— Coloria on Glare Payers C	_ Contrat can encontrat the following	in Cara in early the lade the site of section	■ InDocument proffsheder and	. s. w costendos vers	an estation here. The con-
SICK AND ACCIDENT INSURANCE 709.00	SIF ADMINISTRATION:										reading a second
UNEMPLOYMENT COMPENSATION 93.00 - 93.00 42.96 - 50.04 46.20% or Total XF FRINGES 28,279.00 8,904.24 - 19,374.76 31.50% or Total XI FRINGES 2,000.00 - 2,000.00 131.06 - 1,868.94 6.60% or Total XI SUPPLIES 2,000.00 - 1,000.00 34.94 - 965.06 3.50% or POSTAGE 500.00 - 1,000.00 - 1,000.00 - 400.	 A transport of the following region for the decided and of the property of the contract of the co	Principle 2004 by week and extract light Could print	of the fit that become for the con-	– Otto Mariner na venike teksterina	No a Novice : 13 tracebolisti	test is consider from a substance?	distribute et al. Commission and the William	Mar De El January Rebubblio i e y	 Built take is at by reliance to be 	and the Attended of the Artists of	Darbert Strategic Co., 10
Total XF FRINGES 28,279.00 28,279.00 3,904.24 19,374.76 31.50%	The state of the s		die di it isstereich neber dabeistidmei			madale and it is also materials in Pales	pojed Silver sakadi karente ya ne pitengan masa na na Silate			duaritana ora dan tadirin missa	Bodon chical Market feet contours
OFFICE SUPPLIES 2,000.00 - 2,000.00 131.06 1,868.94 6.60% BOOK SUPPLIES - 1,000.00 - 1,000.00 34.94 - 965.06 3.50% PRINTING AND BINDING 1,000.00 - 1,000.00 34.94 - 965.06 3.50% PRINTING AND PERIODICALS 500.00 - 400.00 - 400.00 - 400.00 - 900.00 500.00 500.00 500.00 500.00 500.00 - 150.00 - 150.00 - 150.00 - 150.00 - 150.00 0.00% PRINTING AND SUPPLIES 150.00 - 150.00 - 150.00 - 150.00 - 150.00 - 100.00% GAS, OIL AND GREASE - 0.00% GAS, OIL AND GREASE - 0.00% GAS, OIL AND GREASE - 0.00% GAS TO THE SUPPLIES 1,500.00 - 6,050.00 538.08 - 5,511.92 8.90% PROFESSIONAL SERVICES 1,750.00.00 - 1,750.00 0 43,600.00 - 26,400.00 62,30% GACTUARIAL SERVICES 1,000.00 - 1,000.00 43,600.00 - 26,400.00 62,30% GONTRACTUAL SERVICES 1,000.00 - 1,000.00 - 1,000.00 100.00% MEDICAL SERVICES 1,000.00 - 1,000.00 - 1,000.00 - 1,000.00 100.00% MEDICAL SERVICES 1,000.00 - 1,000.00 - 1,000.00 100.00% MEDICAL SERVICE CHARGE 250.000.00 - 250.000.00 1250.000.00 166.664.63 1183.335137 26.70% MEDICAL SERVICE CHARGE 250.000.00 - 7,500.00 7,500				- Pries arcerosic, algebra participa sa	(*1.000*** * * * * * * * * * * * * * * * *	The second secon		e 'd o d'i sod b bafaria co	-		
BOOK SUPPLIES PRINTING AND BINDING 1,000.00 1,00					nger aller				e la transportation de la constant d		
PRINTING AND BINDING 1,000.00 - 1,000.00 34.94 - 965.06 3.50% POSTAGE 500.00 238.63 261,37 47.70% MAGAZINES AND PERIODICALS 400.00 - 400.00 - 400.00 500.00	The sould be a considered to the first the best of the form of the constitution of the	ka Peralabbasan keratun kan		- nestastinatinatinatina	y has a valeda et tijet.	- 2,000.00 Walter Ein accessio	131.06 http://www.com/com/com/com/com/com/com/com/com/com/	NASA SARASA SARASA SARA	- Vocasoriana de Cal	1,868.94	anggaraga ay may may ang at at mananan
POSTAGE 500.00 500.00 238.63 261.37 47.70% MAGAZINES AND PERIODICALS 400.00 - 400.00 - 400.00 500.00	 Call Chick and College Development Birth Statement (International Statement) 		1 000 00			1 000 00			Michael Hairpeig 1796		Literated data of Same or an enterprise in
MAGAZINES AND PERIODICALS 400.00 - 400.00 - 500.	in the first of the control of the c	an and a same and a sa	and four and the America	- OGRSTANN DESIREMENTS	Smith to the Shake	early by the distance terminate	BURGON BERNALD GRANDS FOR STATE		- \$1871230130341281313	Service accepts that it may be seen	Company of the Company of the Company
COPIER / FAX SUPPLIES 500.00 - 500.00 - 150.00 - 150.00 0.00% FOOD SUPPLIES 150.00 - 150.00 - 150.00 - 150.00 0.00% PHOTO & MICROFILM/FICHE SUPPLY - 150.00 0.00% GAS, OIL AND GREASE 0.00% COMPUTER SUPPLIES 1,500.00 - 1,500.00 133.45 1,366.55 8.90% TOTAL XI SUPPLIES 6,050.00 - 1,500.00 538.08 - 5,511.92 8.90% PROFESSIONAL SERVICES 1,750,000.00 - 1,750,000.00 759,199.47 990,800,53 43.40% ACTUARIAL SERVICES 70,000.00 - 70,000.00 43,600.00 - 26,400.00 62.30% CONTRACTUAL SERVICES 1,000.00 - 1,000.00 - 1,000.00 0.00% MEDICAL SERVICES 1,000.00 - 1,000.00 166,664.63 183,335.37 26.70% LEGAL FEES 7,500.00 - 7,500.00 - 7,500.00 - 7,500.00 0.00%	TOTAL AND THE CONTROL OF THE CONTROL		Parkitalish Soul See S. Challian (ser Briefier	anno a in the thirty of all dispatianistics of the	258.03			and taken a committee assume	and the second of the second of the second
FOOD SUPPLIES 150.00 - 150.00 - 150.00 0.00% PHOTO & MICROFILM/FICHE SUPPLY 0.00% GAS, OIL AND GREASE 0.00% GAS, OIL AND GREASE 0.00% GAS, OIL SUPPLIES 1,500.00 1,3345 1,366.55 8.90% Total XI SUPPLIES 6,050.00 - 6,050.00 538.08 - 5,511.92 8.90% PROFESSIONAL SERVICES 1,750,000.00 1,750,000.00 759,199.47 990,800,53 43.40% ACTUARIAL SERVICES 70,000.00 - 70,000.00 43,600.00 - 26,400.00 62.30% GONTRACTUAL SERVICES 1,000.00	the state of the s	SECRETARIST SERVERS	the second of the second of	i di kabupatèn wikilès	s nga gayar baggar	and seems and the entire that the	secco u disebesador		- eksamittidida debida d	to full for the extreme to the contract of the	throat their others and a marks
PHOTO & MICROFILM/FICHE SUPPLY GAS, OIL AND GREASE 0.00% COMPUTER SUPPLIES 1,500.00	and specified for the state of	ing a haga tagan dan garan ing tagan dan sa	aj dini imbi i talahen 90 mbililin Him	latu sulutulubuda kentuutun Eri -	istikus kai estiilliiku	Periodo de la compania del compania de la compania del compania de la compania del la compania de la compania del la compania de la compania de la compania del la compania de la compania del la	Corrid Corrections		Tirke Libea (Lanialia) -	antalinelle de mentalental maritapensa.	al data di Paji (aranganan di Jang)
GAS, OIL AND GREASE COMPUTER SUPPLIES 1,500,000 1,500,000 1,500,000 1,33,455 1,366,555 8,90% Total XI SUPPLIES 6,050,000 1,750,000 1,750,000 1,75	The first of the second of the	Zedorekorekiseakek						FOREST CHERRIE	Sariani	ku di Siring pagangsing men	Marith Earl Doses and a
1,500,000	The state of the s							Adam Sanahar Adams		P-141 Rec. 14 At 151	Destruction of the comment
Total XI SUPPLIES 6,050.00 - 6,050.00 538.08 - 5,511.92 8.90% PROFESSIONAL SERVICES 1,750,000.00 - 1,750,000.00 759,199.47 990,800,53 43.40% ACTUARIAL SERVICES 70,000.00 - 70,000.00 43,600.00 - 26,400.00 62.30% CONTRACTUAL SERVICES 1,000.00 - 1,000.00 - 1,000.00 0.00% INVESTMENT/BANK SERVICE CHARGE 250,000.00 - 7,500.00 - 7,500.00 - 7,500.00 0.00%	er anne fan en de alle anne an de la de anne anne anne anne anne	recht des Boeron Artiklika	1 500 00	kara majiwa kata ta ta b		1 500 00	133.45	MARKARA KAN	0/65/24/25/25/25/25	1 366 55	Carrier Dr. americants of Carrier Const.
PROFESSIONAL SERVICES 1,750,000.00 - 1,750,000.00 759,199.47 990,800,53 43.40% ACTUARIAL SERVICES 70,000.00 - 70,000.00 - 26,400.00 62.30% CONTRACTUAL SERVICES 1,000.00 - 1,000.00 - 1,000.00 - 1,000.00 0.00% MEDICAL SERVICES 1,000.00 - 1,000.00 - 1,000.00 183,335.37 26.70% INVESTMENT/BANK SERVICE CHARGE 250,000.00 - 7,500.00 - 7,500.00 - 7,500.00 0.00%	Andrew Control of the	AND A SHARE STEEL AND A SHARE STEEL AND A SHARE STEEL STEEL AND A SHARE STEEL AND A		- un vigament energians.	1 10 11, 2 11 14 14 14 14 14 14 14 14 14 14 14 14			March 1985 of The Control of the State of th	- the programment period and the control of the con		
ACTUARIAL SERVICES 70,000.00 - 70,000.00 43,600.00 - 26,400.00 62.30% CONTRACTUAL SERVICES 1,000.00 - 1,000.00 - 1,000.00 - 1,000.00 0.00% INVESTMENT/BANK SERVICE CHARGE 250,000.00 - 7,500.00 - 7,500.00 - 7,500.00 - 7,500.00 0.00%		16921141171151516181.7			1.7				Characata a		
CONTRACTUAL SERVICES MEDICAL SERVICES 1,000.00 - 1,00	ACTUARIAL SERVICES	and, the based on the later reported and the Cartago before it in the care.	in to be facilities and character that open a laborator	i que il salhandat danderich profitical richitalischurch. —	a trade metal dat planeter i trade da	Tarana and a series of the ser	historia (1906) - 2007 historia (1906) harvesti (1966) h			terrament franchistration and annual	La la colorina de la colorida del colorida del colorida de la colorida del la colorida de la colorida dela colorida del la colorida del l
MEDICAL SERVICES 1,000.00 - 1,000.00 - - 1,000.00 0.00% INVESTMENT/BANK SERVICE CHARGE 250,000.00 - 250,000.00 66,664.63 183,335.37 26.70% LEGAL FEES 7,500.00 - 7,500.00 - - 7,500.00 0.00%	CONTRACTUAL SERVICES	re this standard renderation arms i Tall and the second of this second contract	eristi pri pri pri della. Mantala di Stresco			séin/You		arei alateta		minnan	0.00%
INVESTMENT/BANK SERVICE CHARGE 250,000.00 - 250,000.00 - 7,500.00	MEDICAL SERVICES	a a page region i de di di di deserci di spira periodi de la 1804 i	1,000.00	o naaran magaloo gas maanan ga balabialaid -	aan ng wita aalasan ee ban si je glacila jib	1,000.00	— — — — — — — — — — — — — — — — — — —	auren o u sistelisis Carat daning Pilisid I. II.	ши иносторацијацијација оставација. -	1,000.00	projetticosti I, ijo t. contortisticosti
LEGAL FEES 7,500.00 - 7,500.00 7,500.00 7,500.00 - 7,500.00 -	INVESTMENT/BANK SERVICE CHARG	E 11 11 11 11 2	50,000.00		2	50,000.00	66,664.63			Official Cartifactor Processing	26.70%
CONSULTANTS 175,000.00 115,500.00 159,500.00 59,500.00 66.00%	LEGAL FEES	the second of the their at most participations and the property of the	7,500.00	-	and the second second	7,500.00	_	errene en de bertatet i enn er ellet s'errinels l'aradi.	-	the most from a sharinger of	0.00%
	CONSULTANTS		75,000.00		\$440.5595 1	75,000.00	115,500.00	TOWNSHIP OF P	7. Grand Notes (d	59,500.00	66.00%

	HARMING ORIGINAWARRORMEN BRANIERYA	DISMTE HARRESTERRETERRETERRETERRETERRETERRETER	IANA BARIN BALGA MARKATA GARANI BANANA KA	
MEMBERSHIPS AND DUES	550.00	- 550.00 3	350.00 -	200.00 63.60%
FILING FEES	200.00	200.00		200.00 0.00%
HEALTH SERVICES	-		· -	- 0.00%
TELEPHONE	400.00	400,00	64.92	335.08 16.20 %
CONFERENCE FEES & EXPENSES	15,000.00	- 15,000.00 13,8	370.38 0.01	1,129.61 92.50%
STATE TRAVEL MILEAGE	2,700.00	2,700.00	108.14	2,291,86 15.10 %
LOCAL TRAVEL MILEAGE	300.00	I be before the first and the		143.98 52.00 %
PENSION PAYMENTS	16,250,000.00	16,250,000.00 4,171,9	923.46	12,078,076,54 25.70 %
PRINTING/PUBLISHING/ADVERTISI	500.00	- 500.00	and the particular and the parti	500.00 0.00 %
LEGAL NOTICES	1,000.00	1,000.00		1,000.00 0.00%
EQUIPMENT REPAIR & MAINTENANCE	500.00	- 500.00	Contractive to the contractive	500.00 0.00 %
HARD/SOFTWARE REPAIR & MAINT	4,100.00	4,100,00		4,100.00 0.00%
EQUIPMENT RENTAL-COPY MACHINES	5,000.00	The territory of the first of the second sec		4,659.06 6.80%
MISCELLANEOUS	500.00	500.00		500.00 0.00%
INDIRECT COST EXPENSE	259,947.00	en anna talla est a la calla de la facta a la facta de la facta de la calción de la calción de la facta de la c	535.75 - Leebaudi pakkeesistii eti kanasta milika kantaan ka jiraksi kalina ka jiraksi ka k	108,311.25 58.30%
EDUCATION AND TRAINING	1,500.00	1,500.00		1,500.00 0.00%
LOSS ON DISPOSAL OF ASSET	9,000,000.00	- 9,000,000.00 3,832,4	192.97	5,167,507.03 42.60%
UNREALIZED LOSS ON INVESTMENTS	1,000,000.00	1,000,000.00		1,000,000.00 0.00 %
LOSS ON FOREIGN CURRENCY EXCH	100,000.00	- 100,000.00 LLEGGLAGE - NOS POLOS EL COLO EL EL COMPANO LA POLICIO DE COLO EL COLO EL COLO EL COLO EL COLO EL COLO EL COLO	The second departure of the experimental of the second department of th	100,000.00 0.00%
CONTRIB REFUND-GENERAL	60,000.00	t at Hamadutu and come a sum a common various to common terrologic tapturing to the chief discuss to the college	312.62)	63,812.62 -6.40%
CONTRIB REFUND-SHERIFF	5,000.00	and the contract of the contra	312.62 ~	1,187.38 76.30%
CONTRIB REFUND-ROAD COMMISSION	opto or salt harmon distributo and male delication and or fields to that it made to be to a figure of salts before a time to find the field of the f	5,000.00		5,000.00 0.00%
CONTRIB REFUND-MED CARE FACIL.	40,000.00	the state of the s	337.43 o incher unio, petrojecto escribilità et jeno coltato et seco	39,662.57 0.80%
CONTRIB REFUND-B.A.B.H.A.	100,000.00	nderad data Grave coets star a fee fee of Arcais at the coefficient of the deleter detail at the coefficient of the	362.29	35,137.71 64.90%
CONTRIB REFUND-D.W.S	5,000.00 Sitema e proprio e parte o cier o proprio proprio de su proprio de carro de carro de como con proprio de carro	- 5,000.00 na otna sa estración balación combación associal balación (balación pastar)	and a sent mobile part to great our sea to remark a contract in the distribution of the contract of the contra	5,000.00 0.00%
CONTRIB REFUND-LIBRARY	5,000.00	5,000.00		5,000.00 0.00%
INSURANCE AND BONDS	22,000.00	the factor of the control of the con	<mark>23.86</mark> Heten shi ewan, bediesulen brech en doel eoer his bbredt	(223.86) 101.00%
MACHINERY & EQUIPMENT EXPENSE	3,400.00	3,400.00		3,400.00 0.00%
OFFICE EQUIP.& FURN. EXPENSE	2,100.00 Espanyo (190) yaniyanda diba deriyanda sayanda bibada disebbih ibada	- 2,100.00 reference in Nicola (Nicola esta EMBN Corect (Let Megrin Group), porte		2,100.00 0.00%
COMPUTER HARDWARE EXPENSE	145, Ct. Ct. (1995) 147, E. O. (1996) 151, Ct. (1997) 151, E. (1996) 191, C. (1996) 151, Ct. (1997) 2 European Ambrech (1997) 151, Ct. (1997) 151, 2 European Ambrech (1997) 151, Ct. (1997) 151,			0.00%
COMPUTER SOFTWARE EXPENSE			id a Ree isk bille Krist n. Greedslânde het krist fan de skulte in dy skilde in de. In a Ree isk bille Krist n. Greedslânde het krist fan de skulte in dy skilde in de.	0.00%
BOOK EXPENSE		ichordinates accelai incliga in Sharkesiseritaria alla 2015 in 1911		0.00%
BUDGET REDUCTION TARGET				- 0.00%
Total XL OTHER SERVICES AND C	29,143,197.00	29,143,197.00 9,243,6	30.26	9,899,566.73 31.70%
COMPUTER SOFTWARE	- - 1			- 0.00%
Total XQ CAPITAL OUTLAY				0.00%

Grand Total	-	-	**	2,648,763.49	0.01	(2,648,763.50)	100.00%
Expense Total	29,254,333.00		29,254,333.00	9,283,230.79	0.01	19,971,102.20	31.70%
Revenue Total	(29,254,333.00)	-	(29,254,333.00)	(6,634,467.30)	-	(22,619,865.70)	22.70%
same come manda most in secretar and passa	aritani arabi a cambini		reappeneas		appartment quapas		Horospoot
Total 7310 RETIREMENT SYSTEM FUND		krisettiiji uidpapui	ande de district bei de	2,648,763.49	0.01	(2,648,763.50)	100.00%
Total 73127400 RETIREMENT BOARD	-	-	-	2,648,763.49	0.01	(2,648,763.50)	100.00%
	tenukan butawa hibawa mil				inistrajuko rarriti		
1名を記載が行為と行為が出す。 1名を記載が行為と行為という。 1名を記載が行為と行為という。	的复数形式 1995年1995年1995年1995年1995年1995年1995年1995	A. Maria da Galanda da Araban da Maria	And Early grades beautifier of a school basel on A (455 to 1998)	ingnediation of the operation of the little	den Stadt Sadt in die National Produktiel besteht in der Stadt in der Stadt in der Stadt in der Stadt in der S	risallista line et Deignett og et Deget Denni I ment Denni sog Produkt i 1919 i 1919 i 1919 i	Slich fan Steen bestien (een Slich
AND THE REPORT OF THE PROPERTY		verse di le la la centre de la	avearevael		EBMERANGES MARA	ARJERVERNI	ENTREE!

BCERS

Invoices Approved:

Aug-16

Invoice Date	Vendor	Amount	Description
6/23/2016	Gabriel, Roeder, Smith	\$17,000.00	GASB 68 preparation fees
7/13/2016	Integrity	\$39,207.00	Q2 2016 MONEY MANAGER FEE
7/21/2016	Schroders	\$21,062.70	Q2 2016 MONEY MANAGER FEE
7/2/2016	Cornerstone	\$10,777.28	Q2 2016 MONEY MANAGER FEE
7/25/2016	Bogdahn	\$38,500.00	Q3 2016 Consulting fees
7/20/2016	MFS	\$46,178.13	Q2 2016 MONEY MANAGER FEE
8/5/2016	BANK OF AMERICA CREDIT CARD	\$1,012.34	Hotel deposits MAPERS FALL CONF
8/5/2016	BANK OF AMERICA CREDIT CARD	\$1,951.89	Hotel deposits MAPERS FALL CONF
8/3/2016	GRS	\$8,750.00	Q2 2016 ACTUARIAL SERVICES
7/26/2016	BAIRD	\$16,863.67	2Q 2016 MONEY MGR FEE
7/26/2016	MFS HERITAGE	\$44,566.40	2Q 2016 MONEY MGR FEE
8/17/2016	Johnston Lewis Associates	\$22,223.86	2016 Fiduciary liability policy





BAY COUNTY EMPLOYEES' RETIREMENT SYSTEM BAY COUNTY VOLUNTARY EMPLOYEES' BENEFICIARY ASSOCIATION

BAY COUNTY BUILDING 515 CENTER AVENUE BAY CITY, MICHIGAN 48708-5128

Thomas L. Hickner Bay County Executive

Jan Histed Finance Officer/Secretary

RE:

BOARD OF TRUSTEES
Steven Gray, Chairperson
Richard Brzezinski
Kim Coonan
Kristal Goetz
Richard Gromaski
Ernie Krygier
Jon Morse
Matthew Pett
Thomas Starkweather

To: Bay County Employees' Retirement System Board of Trustees

From: Katie Meeth, Retirement Administrator

Date: September 7, 2016

Disability Retirement Reexaminations

ADMINISTRATIVE STAFF Rebecca Marsters Katie Meeth (989) 895-4043 TDD (989) 895-4049 FAX (989) 895-4039

Background:

Per the Bay County Employees' Retirement System Ordinance Section 4.044, a member is subject to reexamination at least once each year during the first five years following a member's disability retirement, and at least once in every three-year period thereafter if that individual has not attained 55 years of age. In years for which a member is subject to reexamination, they must submit a statement completed in the last twelve months, from their personal physician on a "Physician Update" form and a "Member Work History Update" form signed under oath by the member. For 2016, there were 13 disability retirement members who were subject to this reevaluation process. Of the 13 disability retirement members, 11 submitted forms that complied with the Disability Retirement Procedure, and the other 2 submitted forms that were non-compliant.

LAST NAME	FIRST NAME	RETIREMENT DATE	JOB TITLE	ENTITY	
JEAN	KELLY	3/2/2011	Dispatcher	General	Compliant
DENNISON	BETH	2/8/2000	Program Aid	BABH	Compliant
DAVIDSON	BRIAN	6/12/2014	Deputy Corrections	Sheriff	Compliant '
REINHART	Keith	4/28/2011	CFO	Sheriff	Compliant
STENDER	ROBERT	10/16/2015	Heavy Truck Operator	Road	Compliant
MILLER	REBECCA	10/26/2012	Case manager	BABH	Compliant
MONVILLE II	RONALD	1/10/2006	Corrections Officer	Sheriff	Compliant
LAURIA	LISA	3/10/2011	C.N.A	BMCF	Compliant
HARTMAN	LISA	11/30/2012	LPN	BMCF	Compliant
PATTERSON	Patrick	10/3/2008	Road Patrol Deputy	Sheriff	Compliant
MURRAY	SANDRA	2/10/2010	CFO	Sheriff	Compliant -
DESJARLAIS	TRACY	10/22/2015	Acct Clerk II	General	Non-compliant
ROUPE	STACY	5/15/2015	Housekeeping	BMCF	Non-compliant



BAY COUNTY EMPLOYEES' RETIREMENT SYSTEM BAY COUNTY VOLUNTARY EMPLOYEES' BENEFICIARY ASSOCIATION

BAY COUNTY BUILDING 515 CENTER AVENUE BAY CITY, MICHIGAN 48708-5128

Thomas L. Hickner Bay County Executive

Jan Histed Finance Officer/Secretary BOARD OF TRUSTEES
Steven Gray, Chairperson
Richard Brzezinski
Kim Coonan
Kristal Goetz
Richard Gromaski
Ernie Krygier
Jon Morse
Matthew Pett
Thomas Starkweather

ADMINISTRATIVE STAFF Rebecca Marsters

Katie Meeth

(989) 895-4043 TDD (989) 895-4049 FAX (989) 895-4039

Finance/Economics:

There is no cost to the Retirement System.

Recommendation: That this Board approves the 2016 disability retirement reexaminations for the

That this Board approves the 2016 disability retirement reexaminations for the 11 members who complied with the Disability Retirement Procedure and gives the 2 members who did not comply with the Disability Retirement Procedure 30 more days to resubmit the required forms or they will have their retirement benefits suspended by the Board.

BY:

ADMINISTRATION 9/13/2016

WHEREAS,

Per the Bay County Employees' Retirement System Ordinance Section 4.044, a member is subject to reexamination at least once each year during the first five years following a member's disability retirement, and at least once in every three-year period thereafter if that individual has not attained 55 years of age.

WHEREAS.

In years for which a member is subject to reexamination, they must submit a statement, completed in the last twelve months, from their personal physician on a "Physician Update" form and a "Member Work History Update" form signed under oath by the member.

WHEREAS,

For 2016, there were 13 disability retirement members who were subject to this reevaluation process. Of the 13 disability retirement members, 11 submitted forms that complied with the Disability Retirement Procedure.

LAST NAME	FIRST NAME	RETIREMENT DATE	JOB TITLE	ENTITY	
JEAN	KELLY	3/2/2011	Dispatcher	General	Compliant
DENNISON	BETH	2/8/2000	Program Aid	BABH	Compliant
DAVIDSON	BRIAN	6/12/2014	Deputy Corrections	Sheriff	Compliant
REINHART	Keith	4/28/2011	CFO	Sheriff	Compliant
STENDER	ROBERT	10/16/2015	Heavy Truck Operator	Road	Compliant
MILLER	REBECCA	10/26/2012	Case manager	вавн	Compliant
MONVILLE II	RONALD	1/10/2006	Corrections Officer	Sheriff	Compliant
LAURIA	LISA	3/10/2011	C.N.A	BMCF	Compliant
HARTMAN	LISA	11/30/2012	LPN	BMCF	Compliant
PATTERSON	Patrick	10/3/2008	Road Patrol Deputy	Sheriff	Compliant
MURRAY	SANDRA	2/10/2010	CFO	Sheriff	Compliant

Therefore, Be It

Amended_

RESOLVED

MOVED BY TRUSTEE

That this Board approves the 2016 disability retirement reexaminations for the 11 members that have complied with the Disability Retirement Procedure.

STEVE GRAY, CHAIR AND BOARD

RESOLUTION - DISABILITY REEXAM & WORK HX UPDATE FORMS COMPLIANT - 2016

Corrected_

SUPPORTED BY								· · · · · · · · · · · · · · · · · · ·			,
TRUSTEE	Y	N	E	TRUSTEE	Y	N	E	TRUSTEE	Υ	N	E
Richard Brzezir	nski			Steve Gray				Jon Morse			
Kim Coonan			Richard Gromaski				Matthew Pett		<u> </u>	·	
Kristal Gonzales			Ernie Krygier				Thomas Starkweather				
Vote Totals: Roll Call: Voice:	Yeas_ Yeas_			Nays Excu	_						
Disposition:	Adopte	ed .		Defeated With	drawn						

Referred ____

BY:	ADMIN	ADMINISTRATION 9/13/2016											
WHEREAS,	subjec	t to ity i	ree: retire	xami emer	y Employees' Retiremen nation at least once each it, and at least once in ev of age.	ı year	durin	g the	first five years foll	lowing a n	nemb		ıot
WHEREAS,	the las	st tw	velve	mo	a member is subject to re nths, from their personal ate″ form signed under o	physi	cian o	n a "	Physician Update [*]	tatement, form and	comp a "M	letec emb	in er
WHEREAS,	Of the	13	disa	bility	ere 13 disability retirement retirement members, 2 ent Procedure.	t men submi	bers Itted fo	who orms	were subject to this that were non-con	s reevalua npliant wit	tion p h the	roce	SS.
	F	IRS	Т		RETIREMENT								
LAST NAME	E NAME DATE JOB TITLE ENTITY												
DESJARLAIS	Υ	TRACY 10/22/2015 Acct Clerk II General Non-compliant											
ROUPE	S	STACY 5/15/2015 Housekeeping BMCF Non-compliant											
Therefore, Be It RESOLVED That this Board give the two members who did not comply with the Disability Retirement Procedure 30 more days to re-submit the required forms or they will have their retirement benefits suspended by the Board.													
					STEVE GRA AND BC	ARD			·	001101			
MOVED BY TRU			LII'	Y RE	EEXAMINATIONS & V	VORK	HIS	IOR	Y FORMS NON	-COMPL	IAN 1	201	16
SUPPORTED B	Y TRUS	ΤE	E			_	,	_					ı
TRUSTEE	,	Υ	Ν	Ε	TRUSTEE	Υ	N	Ε	TRUSTEE	Υ	N	E	
Richard Brzezinski					Steve Gray				Jon Morse				
Kim Coonan					Richard Gromaski				Matthew Pett				
Kristal Gonza	les				Ernie Krygier				Thomas Starkweather				
Vote Totals: Roll Call: Voice: Disposition:	Yeas Yeas Adop Amer	ted				/ithdra	 awn_		_				
	VIIIGI	iuc	~		COLLECTER 1	CICIIC	~~ <u> </u>						

BY:	ADM	DMINISTRATION											
WHEREAS,		s. Crystal Backus was denied Disability Retirement Benefit by the Retirement Board Board") by Resolution No. 2016-15.											
WHEREAS,					ealed the decision, in v rd party physician revie		g, on	Apri	l 18, 2016, requestin	g an			
WHEREAS,	The revie				ved the written appeal 1.	by M	is. Ba	cku	s requesting a third p	arty į	ohys	iciar	1
Whereas,					e Third Party Physicia e Board on Septembe				s written medical rep	ort a	nd		
WHEREAS,		Dr. Prieskorn has reviewed all medical records and other pertinent information regarding this application.											
WHEREAS,		t is Dr. Prieskorn's professional opinion that Ms. Backus is currently able to perform the luties of her occupation.											
WHEREAS,	Dr. Prieskorn does not find Ms. Backus is totally and permanently disabled as a result of causes directly related to her actual performance of duty while an employee.												
Whereas,	Per the Disability Retirement Policy 15 (d) the Board shall receive and adopt the opinion and certification of the Third Party Physician regarding disability within 60 days of receipt of the Third Party Physician's medical report and certification. Therefore, Be It												
RESOLVED	That	this	в Во	ard (deny the Duty Disabilit	у арр	eal o	f Cr	ystal Backus				
					STEVE GRA' AND BO								
RESOLUTION MOVED BY TRU	STEE												
SUPPORTED BY	/ TRU	STE	Ε_										
TRUSTEE		Υ	N	E	TRUSTEE	Υ	N	E	TRUSTEE	Υ	N	Е	
Richard Brzezin	ski				Steve Gray				Jon Morse				
Kim Coonan					Richard Gromaski				Matthew Pett				
Kristal Gonzales	3				Ernie Krygier				Thomas Starkweather			'	
Vote Totals: Roll Call: Voice:	Yeas Yeas				Nays Excus Nays Excus	ed _ ed _							
Disposition:				Disposition: Adopted Defeated Withdrawn Amended Corrected Referred									



BAY COUNTY EMPLOYEES' RETIREMENT SYSTEM BAY COUNTY VOLUNTARY EMPLOYEES' BENEFICIARY ASSOCIATION

BAY COUNTY BUILDING 515 CENTER AVENUE BAY CITY, MICHIGAN 48708-5128

Thomas L. Hickner **Bay County Executive**

Jan Histed Finance Officer/Secretary

BOARD OF TRUSTEES Steven Gray, Chairperson Richard Brzezinski Kim Coonan Kristal Goetz Richard Gromaski Ernie Krygier Jon Morse Matthew Pett Thomas Starkweather

ADMINISTRATIVE STAFF

Rebecca Marsters Katie Meeth (989) 895-4043 TDD (989) 895-4049 FAX (989) 895-4039

To:

Bay County Employees' Retirement System Board of Trustees

From: Katie Meeth, Retirement Administrator

Date:

September 7, 2016

RE:

Bay County Employees' Retirement System Membership Blank

Request:

To review and approve the updated "Bay County Employees' Retirement System Membership Blank", updated to help streamline and clarify a member's position.

Background:

The "Bay County Employees' Retirement System Membership Blank" is filled out by an employee when they become a member of the Bay County Employees' Retirement System. This is an internal document used by the entities and BCERS administration to track persons hired into an included position per the Bay County Employees' Retirement System Ordinance Section 4.026. The current "Bay County Employees' Retirement System Membership Blank" has been used since the 1960's without any changes. The updated version of the proposed "Bay County Employees' Retirement System Membership Blank" has changes made to box (5), the Personnel Use Only box, and some minor formatting changes. These updates should improve records clarifying a member's retirement eligibility and job classification for BCERS administration.

Finance/Economics:

There is no cost to the Retirement System.

Recommendation:

That this Board approve the proposed changes to the "Bay County Employees' Retirement System Membership Blank".

BAY COUNTY EMPLOYEES' RETIREMENT SYSTEM MEMBERSHIP BLANK

	LEGIBLY IN INK nt Name in Full Below	<i>i</i>)	6. DATE OF BIRTH	SOCIAL SECURITY	1
					Male
		}	8. FAMILY RECORD		Female
RESIDENC	E ADDRESS (Street & 1	·		CHECK MARITAL STATUS WIT	
			Single() Married	() Widow	red () Divorced () DATE OF BIRTH
. PLACE OF	BIRTH (Town, City, County	y, State or Country)	NAM	AE .	MM / DD / YY
			Wife/Husband Living		
(a)1000A0T	MENT EMPLOYED IN				
. (a)DLIANI	MENT CHI COTED IN	ì	Children Under Age 18		Date of Birth
(b)DIVISION	OF DEPARTMENT				
(c) TITLE DE	SIGNATED ON PAYRO	LĹ			
COUNTY	MPLOYMENT RECORE	Cive all county	Name of Father if Living		Date of Birth
	date you first started with the	· 1	maine of Father II Living		Dutt of biltin
444 /D/D 00/	[D		Name of Marker (f.) 5.2		Date of Birth
MM/DD/YY	Department Employ	rea in	Name of Mother if Living		Date of Birth
			9. I DECLARE THE ABOVE	STATEMENTS TO BE TRUE TO T	HE BEST
			OF MY KNOWLEDGE.		:
				(Signature of Employee	a)
					· · ·
			10. NOMINATION OF BEN	EFICIARY	
Hereby Dire	ct the Board of Trust	ees of the Bay County E	mployees' Retirement Syst	em to pay the accumulated	
contributions	s standing to my cred	it in the event of my de	ath before retirement to m	У	
(give re	lationship)	-		(give full name of beneficiary)	
40 L - S	76.	(6) 3	. Whose date	of birth is	(give beneficiary's Date of Birth)
(Number) f living, othe		(City) (State)			(give beneficiary s Date of birth)
				Charles Carlo	6.:
	of contingent beneficiary) te of birth is			(give full name of contingent bene	nciary)
	 	gent beneficiary's Date of Birth	Dated:		20
				Month/Day	Year
	5340			70	T
(Si	ignature of Witness)			(Signature of	Employee)
FOR PERSON	INEL USE ONLY:				
		ıp			EODM 3 DEMICED 37
	Non-Union				FORM 2 REVISED 2/

New

BAY COUNTY EMPLOYEES' RETIREMENT SYSTEM MEMBERSHIP BLANK

PLEASE PRINT	EGIBLY IN INK				
1. NAME (Prin	t Name in Full Below)	6. DATE OF BIRTH	SOCIAL SECU	RITY #	7. Check SexMaleFemale
2. RESIDENCE	ADDRESS (Street, City, State, ZIP)	8. FAMILY RECORD CH Single() Married (IECK MARITAL STA		"X" Divorced ()
	9	Name Wife/Husband Living			DATE OF BIRTH
3. PLACE OF BI	RTH (Town, City, County, State)				
4 (a)DEDARTA	MENT EMPLOYED IN	Children Under A	ge 18		Date of Birth
4. (a)DEPARTE	TENT EMPLOTED IN				
(b)DIVISION (DF DEPARTMENT				
		Name of Father if Living	0	ate of Birth	ı
(c) TITLE DES	IGNATED ON PAYROLL			601	
by Bay County	previously employed YES	Name of Mother if Living		Oate of Birth	1.
	, Road Commission, F? If yes, list below NO	I DECLARE THE ABOVE STA	TEMENTS TO BE T	RUE TO THE	E BEST OF MY KNOWLEDGE.
MM/DD/YY	Department Employed In				
			(Signature of E	mployee)	
	Total Control	10. NOMINATION OF BENEF	ICIARY		
	t the Board of Trustees of the Bay standing to my credit in the even			ne accumula	ated
(give rela	tionship)	(give full name of bene Whose	eficiary) date of birth is		_
(Number)	(Street) (City)	(State)	date of birth is_	(g	give beneficiary's DOB)
if living, other	wise to my				
	ntingent beneficiary)	(give full name of contingent benefi	ciary)		(Contingent beneficiary's DOB)
PERSONNEL USE	ONLY: Date Retirement		Dated:		20
	Eligible Hire Date	- 1	M	1onth/Day	Year
	Non-Union	_	(Signa	ature of Em	ployee)
Temporary (Union) Part-time () Full-time ()	Group			
			(Sign	nature of Wi	
					FORM 3 REVISED 7/16

BY:	ADMINISTRATION (9/13/16)												
WHEREAS,	by an	The Bay County Employees' Retirement System ("BCERS") Membership Blank is filled out by an employee when they become a member of the Bay County Employees' Retirement System.											
WHEREAS,	persor	This is an internal document used by the entities and BCERS administration to track persons hired into an included position per the Bay County Employees' Retirement System Ordinance Section 4.026.											
WHEREAS,	since Emplo	The current Bay County Employees' Retirement System Membership Blank has been used since the 1960's without any changes. The updated version of the proposed Bay County Employees' Retirement System Membership Blank has changes made to Box (5), the "Personnel Use Only" box, and some minor formatting changes.											
WHEREAS, These updates should improve records clarifying a member's retirement eligibility and job classification for BCERS administration. Therefore, Be It													
RESOLVED That this Board approve the proposed changes to the Bay County Employees' Retirement System Membership Blank.													
RESOLUTION	STEVE GRAY, CHAIR AND BOARD RESOLUTION – RETIREMENT MEMBERSHIP BLANK UPDATE												
MOVED BY TRU	JSTEE _												
SUPPORTED BY	Y TRUS	TE	E			F							
TRUSTEE	\	Y	N	Ε	TRUSTEE	Υ	N	E	TRUSTEE	Υ	N	Ε	
Richard Brzezinski					Steve Gray				Jon Morse				
Kim Coonan					Richard Gromaski				Matthew Pett				
Kristal Gonzal	es				Ernie Krygier		į.		Thomas Starkweather				
Vote Totals: Roll Call: Voice:	Yeas_ Yeas_				Nays Excus Nays Excus	sed _							
Disposition: Adopted Defeated Withdrawn Amended Corrected Referred													



BAY COUNTY EMPLOYEES' RETIREMENT SYSTEM BAY COUNTY VOLUNTARY EMPLOYEES' BENEFICIARY ASSOCIATION

BAY COUNTY BUILDING 515 CENTER AVENUE BAY CITY, MICHIGAN 48708-5128

Thomas L. Hickner **Bay County Executive**

Jan Histed Finance Officer/Secretary

BOARD OF TRUSTEES Steven Gray, Chairperson Richard Brzezinski Kim Coonan Kristal Goetz Richard Gromaski Ernie Krygier Jon Morse Matthew Pett Thomas Starkweather

ADMINISTRATIVE STAFF

Rebecca Marsters

Katie Meeth

(989) 895-4043

TDD (989) 895-4049

Jan Histed, Secretary, Bay County Employees' Retirement System

Steven Gray, Chairman Bay County Employees' Retirement System

FAX (989) 895-4039

DATE:

FROM:

September 1, 2016

RE:

TO:

Annual Budget Approval for Fiscal Year 2017

BACKGROUND:

Annual renewal of Bay County Employees' operating budget. The 2017 Retirement Fund budget was prepared using all known estimates and calculations at this time for revenue and expenditures. The 2017 Budget is for the budget period of January 1, 2017 through December 31, 2017.

FINACIAL INFORMATION:

The 2017 budgeted expenditures are submitted at \$29,170,071 which is a decrease of \$84,262 over the 2016 budgeted expenditures in the amount of \$29,254,333.

The 2017 Retirement Fund revenue is budgeted at \$29,254,333 which is the same level as the Fiscal Year 2016 budgeted revenue.

RECOMMENDATION:

THAT THE BOARD APPROVE THE ANNUAL 2017 BUDGET AS SUBMITTED

RETIREMENT	T SYSTEM FUND	2015 ACTUALS	2016 ACTUALS	2016 BUDGET	2017 Budget		
7312740	0 RETIREMENT BOARD						
RA	FUND BALANCE NET AS						
7312740	0 40001 FUND BALANCE	-	-	-	-		
7312740	0 40003 FUND BALANCE-RESRVS/DSGNATIONS	-	-	-	-		
7312740	0 40004 NET ASSETS - RESERVES	<u>-</u>		4,601,447.00	4,601,447.00		
TOTAL	FUND BALANCE NET AS	-	_	-	-	and the state of t	
RJ	LOCAL UNIT CONTRIBUT				(4		
7312740		(3,010,073.52)	(621,834.00)	(1,100,000.00)	(1,100,000.00)		
7312740		(12,877.26)	(7,906.86)	(13,000.00)	(13,000.00)		
7312740		(60,743.22)	(38,494.72)	(60,000.00)	(60,000.00)		
7312740		(583,225.95)	(278,975.93)	(550,000.00)	(550,000.00)		
7312740		(132,837.45)	(37,488.77)	(180,000.00)	(180,000.00)		
7312740		(3,908.00)	(2,349.19)	(5,000.00)	(5,000.00)		
7312740		(374,458.56)	(244,289.21)	(375,000.00)	(375,000.00)		
7312740		(416,981.33)	(253,277.61)	(375,000.00)	(375,000.00)		
7312740	0 59410 ER CONTR-911 SERVICE	(43 <i>,</i> 996.74)	(26,145.70)	(45,000.00)	(45,000.00)		
7312740	0 59411 ER CONTR-CHILD CARE	(39,359.02)	(23,953.80)	(40,000.00)	(40,000.00)		0
7312740	0 59412 ER CONTR-DIV ON AGING	(43,038.94)	(29,169.39)	(43,000.00)	(43,000.00)		
7312740	0 59413 ER CONTR-RETIRE SYSTEM	(2,425.47)	(1,145.11)	(1,900.00)	(1,900.00)		
7312740	0 59414 ER CONTR-HOMELAND S FD	•	-	(3,000.00)	(3,000.00)		
7312740	0 59415 ER CONTR-GYPSY MOTH	(1,986.36)	(1,289.79)	(2,000.00)	(2,000.00)		
7312740	0 59416 ER CONTR-HOME REHABIL.	(215.78)	(54.57)	(180.00)	(180.00)		
7312740	0 59418 ER CONTR-100% TAX PYMT	(3,243.89)	(2,075.77)	(3,300.00)	(3,300.00)		
73127400	0 59419 ER CONTR-MED CARE FAC.	(437,655.73)	(145,864.22)	(600,000.00)	(600,000.00)		
7312740	0 59424 ER CONTR-SELF INSURANC	(652.93)	(287.60)	(600.00)	(600.00)		
73127400	0 59427 ER CONTR-COMM.CORRECT.	(1,289.74)	(1,063.10)	(2,100.00)	(2,100.00)		
7312740	0 59429 ER CONTR-F.O.C. FUND	(2,664.31)	(1,816.30)	(2,500.00)	(2,500.00)		
7312740	0 59430 ER CONTR-HOUSING FUND	(5,640.29)	(3,747.27)	(6,000.00)	(6,000.00)		
7312740	0 59434 ER CONTR-LOCAL CFO TR	(326.57)	(85.20)	(300.00)	(300.00)		
7312740	0 59435 ER CONTRIB-CONC PISTOL	-	(280.82)	-	=		
7312740	0 59499 ER CONTR-SHERIFF DEPT	2,165.71	-	(5,000.00)	(5,000.00)		
7312740		(420,482.48)	(301,914.11)	(500,000.00)	(500,000.00)		
7312740	0 59502 EE CONTR-MOSQUITO CONT	(12,877.26)	(7,906.86)	(12,750.00)	(12,750.00)		
7312740	0 59503 EE CONTR-HEALTH FUND	(61,053.93)	(38,494.71)	(60,000.00)	(60,000.00)		
7312740		(141,384.42)	(84,173.93)	(130,000.00)	(130,000.00)		
7312740		(63,447.34)	(34,689.50)	(75,000.00)	(75,000.00)		
		• •	•				

RETIREMEN	IT SYSTEM FUND	2015 ACTUALS	2016 ACTUALS	2016 BUDGET	2017 Budget	
7312740	00 59507 EE CONTR-GOLF COURSE	(3,908.00)	(2,349.19)	(4,200.00)	(4,200.00)	
7312740	00 59508 EE CONTR-GENERAL FUND	(382,889.92)	(277,995.85)	(450,000.00)	(450,000.00)	
7312740	00 59509 EE CONTR-DWS	(110,616.44)	(170,417.03)	(85,000.00)	(85,000.00)	
7312740	00 59510 EE CONTR-911 SERVICE	(61,141.43)	(35,900.06)	(60,000.00)	(60,000.00)	
7312740	00 59511 EE CONTR-CHILD CARE	(39,359.03)	(23,953.80)	(40,000.00)	(40,000.00)	
7312740	59512 EE CONTR-DIV ON AGING	(43,038.94)	(29,169.39)	(43,000.00)	(43,000.00)	
7312740		(2,425.48)	(1,145.12)	(2,200.00)	(2,200.00)	
7312740	59514 EE CONTR-HOMELAND S FD	-	-	-	-	
7312740		(1,986.36)	(1,289.79)	(1,900.00)	(1,900.00)	
7312740		(215.78)	(54.57)	(200.00)	(200.00)	
7312740		(3,243.89)	(2,075.77)	(3,100.00)	(3,100.00)	
7312740		(421,969.14)	(203,295.43)	(400,000.00)	(400,000.00)	
7312740		(652.92)	(287.61)	(450.00)	(450.00)	
7312740		(1,412.68)	(1,063.10)	(1,500.00)	(1,500.00)	
7312740		(2,541.37)	(1,816.30)	(2,500.00)	(2,500.00)	
7312740		(5,640.29)	(3,747.27)	(5,800.00)	(5,800.00)	٧٦
7312740		(326.58)	(85.20)	(300.00)	(300.00)	
7312740		(<u>-</u>	(280.82)	-		
7312740		(230,934.03)	(188,637.11)	(230,000.00)	(230,000.00)	
TOTAL	LOCAL UNIT CONTRIBUT	(7,186,983.06)	(3,132,337.45)	(5,520,780.00)	-5520780	
	The state of the s	· · · · · · · · · · · · · · · · · · ·				
RP	INTEREST & RENTALS					
731274	00 66400 INVESTMENT INTEREST/DIVIDENDS	(5,601,459.58)	(2,069,040.55)	(5,000,000.00)	(5,000,000.00)	
731274	00 66500 GAIN ON SALE OF INVESTMENTS	(28,485,927.89)	(8,237,318.43)	(20,000,000.00)	(20,000,000.00)	
731274		-	-	(3,000,000.00)	(3,000,000.00)	
731274	00 66502 GAIN ON FOREIGN CURRENCY EXCH	(333.93)	(887.57)	(40,000.00)	(40,000.00)	
731274		(159,813.33)	(104,079.00)	(180,000.00)	(180,000.00)	
TOTAL	INTEREST & RENTALS	(34,247,534.73)	(10,411,325.55)	(28,220,000.00)	-28220000	
DD.	OTHER REVENUE					
RR 731274		(0.10)	_	_	<u>-</u>	
731274		(0.10)	_	_		
731274			_	-	-	
731274		-	-	_	-	
731274		(3,366.14)	(3,143.52)	(15,000.00)	(15,000.00)	
731274		(37,602.39)	(1,191.74)	(100,000.00)	(100,000.00)	
TOTAL	OTHER REVENUE	(40,968.63)	(4,335.26)	(115,000.00)	-115000	
		, ,,			····	· · · · · · · · · · · · · · · · ·

RETIREMENT	SYSTEM FUND	2015 ACTUALS	2016 ACTUALS	2016 BUDGET	2017 Budget	
XE	WAGES & SALARIES					
73127400	70300 SALARIES-ELECTED OR APPOINTED	43,323.48	20,060.17	51,012.00	51,012.00	
73127400	0 70400 WAGES-CLERICAL-OTHER FULL TIME	1,244.04	6,147.90	10,566.00	10,566.00	
73127400	0 70401 PAY IN LIEU OF HEALTH INSURANC	-	567.27	-	 0	
73127400	70500 TEMPORARY HELP	5,364.89	1-	9,000.00	9,000.00	
73127400	70501 PART TIME WAGES	6,841.41	9-	-	-9	
73127400	0 70600 OVERTIME	371.62	14	2,809.00	2,809.00	
73127400	0 70800 HOLIDAY PAY	2,935.18	950.64	-	-0	
73127400	0 71000 PER DIEM	2,475.00	1,530.00	3,420.00	3,420.00	
73127400	71200 VACATION PAY	3,232.66	844.04		₩8	
73127400	0 71202 SICK PAY	491.85	58.19	*	¥1	
73127400	71203 TERMINATION SICK PAY	180	-		=	
73127400	71204 TERMINATION VACTION PAY		-	-	-	
TOTAL	WAGES & SALARIES	66,280.13	30,158.21	76,807.00	76807	
XF	FRINGES					2
73127400		4,435.81	2,116.01	4,713.00	4,713.00	\$
73127400		11,778.60	4,096.75	17,435.00	17,435.00	
73127400		10,293.00	=	-	-	
73127400				177.00	177.00	
73127400	71700 LIFE INSURANCE	119.93	63.00	131.00	131.00	
73127400		(18,968.02)	2,290.24	4,928.00	4,928.00	
73127400		=	#	-		
73127400	72001 SIF ADMINISTRATION	*	-			
73127400	72100 WORKERS' COMPENSATION	95.51	42.96	93.00	93.00	
73127400	72200 SICK AND ACCIDENT INSURANCE	520.75	252.32	709.00	709.00	
73127400	72500 UNEMPLOYMENT COMPENSATION	283.51	42.96	93.00	93.00	
TOTAL	FRINGES	8,559.09	8,904.24	28,279.00	28279	
XI	SUPPLIES	22_22	222 221			
73127400		807.04	131.06	2,000.00	1,000.00 *Brought down	1
73127400			- 2	1 000 00		
73127400		675.87	34.94	1,000.00	1,000.00	
73127400		454.33	238.63	500.00	500.00	
73127400		·	-	400.00	400.00	
73127400	73301 COPIER / FAX SUPPLIES	(2)	W ()	500.00	500.00	
73127400		21.20	140	150.00	150.00	
73127400	74700 PHOTO & MICROFILM/FICHE SUPPLY	<u> </u>	-		-	
73127400	75000 GAS	-	17.62	-	-	

	SYSTEM FUND	2015 ACTUALS	2016 ACTUALS	2016 BUDGET	2017 Budget		
73127400		882.42	133.45	1,500.00	1,500.00		
TOTAL	SUPPLIES	2,858.48	538.08	6,050.00	5050		
VI	OTHER SERVICES AND C						
XL 73127400	OTHER SERVICES AND C 80100 PROFESSIONAL SERVICES	1,567,485.21	759,199.47	1,750,000.00	1,750,000.00		
		39,500.00	43,600.00	70,000.00	100 C	*Brought down based on contract	
73127400		59,500.00	43,600.00	70,000.00	30,000.00	Brought down based on contract	
73127400			-		1,000.00		
73127400		276.061.10	140 600 50	1,000.00 250,000.00	250,000.00		
73127400		276,961.19	148,680.58			*Number given by Shawna	
73127400		(3,983.00)	·로)	7,500.00		*Separate financial statements	
73127400		-	-	175 000 00	and the second second	1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	
73127400		140,000.00	115,500.00	175,000.00	40 00000 0000	*Based on Contract	
73127400		110.00	350.00	550.00		*Shawna NAPPA membership	
73127400		85.00	·	200.00	200.00		
73127400		-	-	-	-		
73127400		116.67	64.92	400.00	400.00	***	
73127400		11,228.12	13,495.39	15,000.00		*Added NAPPA conference	Ċ.
73127400		1,637.82	408.14	2,700.00	2,700.00		/
73127400		252.41	156.02	300.00	300.00		
73127400		16,234,641.86	9,809,743.01	16,250,000.00	16,250,000.00		
73127400	90000 PRINTING/PUBLISHING/ADVERTISI	-	-	500.00	200.00		
73127400	90100 LEGAL NOTICES			1,000.00	500.00	*Brought down	
73127400	93100 EQUIPMENT REPAIR & MAINTENANCE	-	350	500.00	200.00	*Brought down	
73127400	93700 HARD/SOFTWARE REPAIR & MAINT	11,175.00		4,100.00	4,100.00		
73127400	94601 EQUIPMENT RENTAL-COPY MACHINES	763.84	340.94	5,000.00	5,000.00		
73127400	95500 MISCELLANEOUS	8,363.30	~	500.00	500.00		
73127400	95600 INDIRECT COST EXPENSE	110,094.00	151,635.75	259,947.00	196,335.00	*Per Maximus	
73127400	96000 EDUCATION AND TRAINING	2,997.50	=	1,500.00	1,500.00		
73127400	96200 LOSS ON DISPOSAL OF ASSET	5,860,705.96	4,627,315.14	9,000,000.00	9,000,000.00		
73127400	96201 UNREALIZED LOSS ON INVESTMENTS	24,081,437.22	<u> </u>	1,000,000.00	1,000,000.00	•	
73127400	96203 LOSS ON FOREIGN CURRENCY EXCH	9.09	142.58	100,000.00	100,000.00		
73127400	96401 CONTRIB REFUND-GENERAL	33,470.27	(3,812.62)	60,000.00	60,000.00		
73127400	96402 CONTRIB REFUND-SHERIFF	.	3,812.62	5,000.00	5,000.00		
73127400	96403 CONTRIB REFUND-ROAD COMMISSION	* :	(2	5,000.00	5,000.00		
73127400	96404 CONTRIB REFUND-MED CARE FACIL.	54,709.33	17,326.53	40,000.00	40,000.00		
73127400	96405 CONTRIB REFUND-B.A.B.H.A.	102,822.94	80,741.37	100,000.00	100,000.00		
73127400	96406 CONTRIB REFUND-D.W.S	¥0	-	5,000.00	5,000.00		
73127400	96407 CONTRIB REFUND-LIBRARY	<u>~</u> x	=	5,000.00	5,000.00		
73127400	96500 INSURANCE AND BONDS	21,769.43	22,223.86	22,000.00	23,000.00	*Based on Chubb invoice	

3

96730 MACHINERY & EQUIPMENT EXPENSE

RETIREMENT SYSTEM FUND

73127400

				٠, ، ٠٠٠٠	0,100.00	
73127	7400 96740 OFFICE EQUIP.& FURN. EXPENSE	-	-	2,100.00	2,100.00	
73127	400 96741 COMPUTER HARDWARE EXPENSE	-	-	-	-	
73127	400 96742 COMPUTER SOFTWARE EXPENSE	-	-	-	-	
73127	400 96770 BOOK EXPENSE	-	-	-	-	
73127	400 96999 BUDGET REDUCTION TARGET	-	-	-	-	
TOTAL	OTHER SERVICES AND C	48,556,452.61	15,790,923.70	29,143,197.00	29,059,935.00	· · · · · · · · · · · · · · · · · · ·
XQ	CAPITAL OUTLAY					
73127	400 98001 COMPUTER SOFTWARE	34,000.00	-	-	-	
TOTAL	CAPITAL OUTLAY	34,000.00			_	
TOTAL	RETIREMENT BOARD	7,192,663.89	2,282,525.97		111,000.00	. 41444
TOTAL	RETIREMENT SYSTEM FUND	7,192,663.89	2,282,525.97	-	**************************************	
Total	TOTAL REVENUE	(41,475,486.42)	(13,547,998.26)	(29,254,333.00)	(29,254,333.00)	
Total	TOTAL EXPENSE	48,668,150.31	15,830,524.23	29,254,333.00	29,170,071.00	16
Total	GRAND TOTAL	7,192,663.89	2,282,525.97	_	(84,262.00)	

2015 ACTUALS 2016 ACTUALS 2016 BUDGET

99.45

2017 Budget

3,400.00

3,400.00

Bay County, Michigan Central Service Indirect Cost Allocation Plan Based On The Year Ended December 31, 2015 Allocated Costs By Department

Detail

Central Service Departments	Cmsary 595-35100	House 535-67100	Insurn 677-87200	Claim 6771-87200	Retire 731-27400	VEBA 736-27400	Correc 764-35100
Building Depreciation	408	0	48	0	359	0	0
Equipment Depreciation	0	0	0	0	0	0	0
County Commission	226	994	524	287	1,310	134	20
Accounting 101-19100	1,268	5,787	2,997	1,643	39,048	2,159	114
Payroll 101-20200	0	1,341	11,231	21,485	22,813	0	0
Budget 101-21200	195	1,349	708	1,008	2,644	331	31
Administrative Serv 101-27200	0	523	27	0	196	0	0
Information Services	0	9,277	0	0	4,344	0	0
Financial System MUNIS	264	2,054	676	348	1,912	171	24
Purchasing 101-23300	0	0	0	0	276	0	0
Treasurer 101-25300	1,378	673	46	564	818	52	66
Buildings & Grounds	1,408	0	1,059	0	7,948	0	0
Corporation Counsel	0	18,024	0	0	37,811	0	0
Personnel 101-27000	0	3,477	135	0	23,375	0	0
Riso Print/Postage 101-29800	0	41	0	0	183	1	0
Recreation & Fac 101-75110	0	0	0	0	0	0	0
Park Maintenance	0	0	0	0	0	0	0
Risk Management	120	1,344	122	0	920	0	0
Retiree Insurance 101-87800	0	(6,498)	1,080	0	4,332	0	0
Building Authority 101-27900	0	0	0	0	0	0	0
Total Allocated	5,267	38,386	18,653	25,335	148,289	2,848	255
Roll Forward	717	15,588	8,521	12,726	48,046	(1,083)	0
Cost With Roll Forward	5,984	53,974	27,174	38,061	196,335	1,765	255
Adjustments	0	0	0	0	0	0	0
Proposed Costs	5,984	53,974	27,174	38,061	196,335	1,765	255
	enante / 007/2	Name of the Contract of the Co	response (NATO 100	CD94-110475447334		The state of the s	1800,600



BA:	ADMINISTRATION (9/13/16)												
WHEREAS,		The 2017 Retirement Fund budget was prepared using all known estimates and calculations at this time for revenue and expenditures.											
WHEREAS,	The	The 2017 Budget is for the budget period of January 1, 2017 to December 31, 2017.											
WHEREAS,		The 2017 budgeted expenditures are submitted at \$29,170,071 which is a decrease of \$84,262 over the 2016 budgeted expenditures in the amount of \$29,254,333.											
WHEREAS,		The Retirement Fund revenue is budgeted at \$33,855,780 which is the same level as the Fiscal Year 2016 budgeted revenue. Therefore, Be It											
RESOLVED	That	: this	s Bo	ard	approve the annual 20	017 B	udge	t as	submitted.				
					STEVE GRA								
RESOLUTION	- 201	7 B	UD	GET	PROPOSAL								
MOVED BY TRU	JSTEE	<u> </u>		1.01=00·data									
SUPPORTED B	Y TRU	STE	E_										
TRUSTEE		Υ	N	E	TRUSTEE	Υ	N	Ε	TRUSTEE	Υ	N	Е	
Richard Brzezinski					Steve Gray				Jon Morse				
Kim Coonan					Richard Gromaski				Matthew Pett				
Kristal Gonzales					Ernie Krygier				Thomas Starkweather				
Vote Totals: Roll Call: Voice:	Yea: Yea:				Nays Excu								
·						/ithdr	awn_ -		-				

Tracy Cederquist

From: Crystal D. Doyle <cdoyle@integrityasset.com>

Sent: Tuesday, September 06, 2016 10:13 AM

To: Jan Histed; Kathleen Meeth; Jeanette Bateman; Tracy Cederquist

Cc: Andrea E. Leistra; 'peterb@bogdahngroup.com' (peterb@bogdahngroup.com);

'howardp@bogdahngroup.com' (howardp@bogdahngroup.com)

Subject: Integrity Asset Management - New Middle and Back Office Platform

We are pleased to announce that we have agreed to partner with SEI Investment Company (SEI) to provide a fully integrated middle and back office outsourced platform. We will utilize SEI's infrastructure to deliver investment administration services including trade processing, corporate actions, portfolio accounting, reconciliation and performance services for our separately managed accounts.

SEI is a leading global provider of institutional and private client wealth management solutions including asset management, investment processing, and investment operations. SEI manages or administers \$684 billion in mutual fund and pooled or separately managed assets, including \$265 billion in assets under management and \$419 billion in client assets under administration. SEI presently partners with more than 300 traditional, alternative and sovereign wealth managers representing \$15.3 trillion in assets, including 32 of the top 100 managers worldwide.

In order to ensure a smooth and seamless transition of your account(s) to the new platform, SEI representatives will be contacting your custodian in the near future to prepare for the transition process. We will oversee this project to ensure controls are in place to safeguard the privacy of your account information. Effective date of the conversion will be December 1, 2016.

In the event your custodian contacts you, please give them approval to establish this connectivity for trade communications and reconciliation.

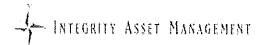
Please contact me at (216) 898-2410 if you have any questions or require additional information. We appreciate your confidence in us and thank you for your continued business.

Regards, Crystal

Crystal D. Doyle
Director, Client Services

t 216-898-2410 f 216-920-1418 <u>cdoyle@integrityasset.com</u>

18500 Lake Road, Suite 300 Rocky River, OH 44116



This message and any attachments are confidential. If you are not the intended recipient, please notify the sender immediately and destroy this email. Any unauthorized use or dissemination is prohibited. All email sent to or from our system is subject to review and retention and its confidentiality is not guaranteed. Nothing contained in this email shall be considered an offer or solicitation with respect to the purchase or sale of any security in any jurisdiction where such an offer or solicitation would be illegal. Neither Victory Capital

Abel Noser

> Abel / Noser Corp.

One Battery Park Plaza, 6th Floor, New York, NY 10004-1405 phone: 646.432.4000 / 800.322.2610 / fax: 212.363.7571 website: www.abelnoser.com > Member FINRA, NYSE and SIPC

August 30th, 2016

Dear Valued Client,

We are writing to you regarding the pending assignment of your brokerage account/agreement from Abel/Noser Corp. ("ANC") to Abel/Noser, L.L.C., a newly-formed company that is acquiring the business and assets of ANC. As you may be aware, in July, ANC and Abel Noser Solutions, Ltd ("ANS", together with ANC, the "Abel/Noser Companies"), entered into an agreement to be acquired by members of Senior Management of the Abel/Noser Companies and Estancia Capital Partners, L.P. ("Estancia"). In the transaction, Abel/Noser, L.L.C. will acquire/succeed to the business of ANC. The transaction, which requires certain regulatory approvals, is expected to close on or about September 30, 2016 (the "Closing Date").

We are confident that the transaction will be seamless to you and your organization. In this regard, we believe that our new business structure will continue to provide you with the highest level of client service, while expanding and enhancing product choices to meet your future needs with respect to Trade Analytics and Trading Services. Please be assured that we will continue to conduct business as we have for decades, following the core business principles established by our founders, Gene Noser and Stan Abel.

The continuing Senior Management has long and broad-based experience managing all aspects of the businesses of the Abel/Noser Companies. Estancia, our new strategic and financial partner, has a proven track record of effectively supporting financial services companies with a strong brand, committed long-term investment approach and market-leading practices.

You are not required to do anything to implement the assignment of your brokerage account/agreement to Abel/Noser, L.L.C., which will automatically occur if we do not hear from you within thirty (30) days from the date of this letter. If you do not wish the assignment to take place automatically, please advise us in writing that you do not consent to the assignment, by letter addressed to Anthony Conroy, President Abel/Noser Corp, One Battery Park Plaza, NY, NY. 10004 or by an email addressed to aconroy@abelnoser.com. Both ANC and Abel/Noser, L.L.C. will protect the privacy and confidentiality of all customer information in connection with the transfer, and will comply with the requirements of SEC Regulation S-P concerning the privacy of consumer financial information, to the extent applicable. The clearing brokerage arrangement associated with your account will remain unchanged.

Senior Management, Estancia and our respective employees are very excited about the pending transaction and the benefits and potential it promises for the Abel/Noser Companies and our clients. We want to thank you for your continued business and confidence, which we will continue to work to earn. We very much value our relationship and remain committed to providing you with the best client experience.

Abel Noser

> Abel/ Noser Corp.

One Battery Park Plaza, 6th Floor, New York, NY 10004-1405 phone: 646.432.4000 / 800.322.2610 / fax: 212.363.7571

website: www.abelnoser.com > Member FINRA, NYSE and SIPC

Should you have any questions about this matter, please contact your account representative or a Senior Management member.

Very truly yours,

Abel/Noser Corp

Name: Arthu

Title: President

Date: 8/30/2016

Abel Noser Solutions, Ltd.

Name: Peter L. Weilar

Title: President

Date: 8/30/16

DI.	ADI	MINI	011	AH	ON (09/13/10)							
WHEREAS, WHEREAS, WHEREAS,	All r App	An application for a non-duty disability was received from Ms. Gregory Courier. All required documents have been filed with the Retirement Office. Application was made while member was in the employment of the County – Bay County Road Commission.										
WHEREAS, RESOLVED	The	The member has 10 or more years of credited service. Therefore, Be It That this Board refer this matter to the medical director at this time.										
					STEVE GRA AND BO							
RESOLUTION	NON	-DU	TY I	DISA	ABILITY APPLICATIO	N - C	OUR	ER				
					* * * * * * * * * * * * * * * * * * *							
SUPPORTED B	YTRU	STE	Ε	<u> </u>		1	ī	1			r	
TRUSTEE		Y	N	Ε	TRUSTEE	Υ	N	Е	TRUSTEE	Υ	N.	Е
Richard Brzezinski					Steve Gray				Jon Morse			
Kim Coonan					Richard Gromaski				Matthew Pett			
Kristal Gonzales			Ernie Krygier				Thomas Starkweather					
Vote Totals: Roll Call: Yeas Nays Excused Voice: Yeas Nays Excused												
			Defeated W		awn		-					